



**COMMUNITY DEVELOPMENT COMMISSION/
HOUSING AUTHORITY
of the County of Los Angeles**

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Executive Director

REVISED

May 22, 2018

Honorable Board of Commissioners
Community Development Commission of the
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

2-D

May 22, 2018

CELIA ZAVALA
ACTING EXECUTIVE OFFICER

Dear Commissioners:

**ADMINISTRATION OF THE 2018-2023 HOUSING AND COMMUNITY
DEVELOPMENT CONSOLIDATED PLAN INCLUDING THE 2018-2019 ACTION
PLAN FOR THE ALLOCATION OF FEDERAL FUNDS
(ALL DISTRICTS) (3 VOTE)**

SUMMARY:

This letter recommends approval of various actions required for the administration of the Five-Year 2018-2023 Housing and Community Development Consolidated Plan for the Los Angeles Urban County, and the Fiscal Year (FY) 2018-2019 Action Plan, to enable the County of Los Angeles (County) to apply for, receive and administer Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), and Emergency Solutions Grant (ESG) Program funds from the U.S. Department of Housing and Urban Development (HUD) for housing and community development activities in the 47 participating cities and the unincorporated areas of the Urban County. The Community Development Commission of the County of Los Angeles (Commission) serves as the agent of the County in administering the Consolidated Plan, the Action Plan, and the allocated funds described herein. This letter relates to two other items appearing on today's agenda for the Board of Supervisors and the Board of Commissioners of the Housing Authority of the County of Los Angeles (Housing Authority).

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the acceptance of FY 2018-2019 CDBG, HOME, and ESG Program funds from the County is not subject to the provisions of the California Environmental Quality Act (CEQA) because it is not defined as a project under CEQA.
2. Authorize the Commission to serve as the agent of the County for the

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administration of the Consolidated Plan and the Action Plan; and to accept from the County an estimated FY 2018-2019 total of \$41,511,787. This funding is estimated pending final allocations by HUD. The funding is comprised of the following: \$22,857,365 in CDBG grant funds; \$226,422 in CDBG funds received as a joint applicant with the City of Cerritos and \$921,281 received as a joint applicant with the City of Torrance; \$2,500,000 in future CDBG program income; \$9,138,619 HOME Program funds; \$4,000,000 in future HOME program income; and \$1,868,101 in Federal ESG funds, which will be included in the Commission's FY 2018-2019 budget through the annual budget approval process, all subject to final notification of approval by HUD.

3. Designate the Executive Director, or her designee, as the official responsible for completing all required actions to be taken by the Commission for administration of the Consolidated Plan, the Action Plan, and the allocated funds described within.
4. Authorize the Executive Director, or her designee, to approve Finding of No Significant Impact (FONSI) clearances for projects under the National Environmental Policy Act (NEPA).
5. Approve CDBG Reimbursable and Advance Contracts to provide a total of \$11,019,590 in CDBG funds for FY 2018-2019, a sample of which is attached in substantially final form, to be effective from July 1, 2018 to June 30, 2019, for 32 projects with 26 community-based organizations and other public agencies described in the Action Plan; and authorize the Executive Director, or her designee, to execute these contracts and any necessary non-monetary amendments, as well as any monetary amendments up to \$100,000, following approval as to form by County Counsel.
6. Approve CDBG Reimbursable Contracts with 47 participating cities, a sample of which is attached in substantially final form, to provide an estimated total of \$10,684,465 in CDBG funding for eligible activities; to be effective from July 1, 2018 to June 30, 2019; and authorize the Executive Director, or her designee, to execute these contract amendments and any necessary non-monetary amendments, as well as any monetary amendments of up to \$100,000, following approval as to form by County Counsel.
7. Approve a CDBG Reimbursable Contract with the City of Bell Gardens for the purpose of repaying a Section 108 Loan previously approved by your Board, attached in substantially final form; authorize the Executive Director, or her designee, to execute the CDBG Reimbursable

Contract, following approval as to form by County Counsel; and authorize the Executive Director, or her designee, to set aside approximately \$586,360 of the City's FY 2018-2019 CDBG allocation for repayment of the Section 108 loan.

8. Approve the use of Federal ESG funds in the estimated amount of \$1,868,101; and authorize the Executive Director, or her designee, to enter into agreements with the Los Angeles Homeless Services Authority (LAHSA) to fund programs that assist persons who are homeless, as described in the Action Plan.
9. Authorize the Executive Director, or her designee, within the limits prescribed by HUD, to reprogram CDBG, HOME, and ESG funds in order to fully expend the grants for the purposes described in the Action Plan.
10. Authorize the Executive Director, or her designee, to amend the Action Plan from time to time, as necessary, to address the cancellation and/or inclusion of off-cycle projects, as well as any necessary non-monetary amendments, and any monetary amendments up to \$100,000, to projects being undertaken by the County, participating cities, and recipient agencies during FY 2018-2019, and to include federal regulatory changes and new HUD directives.
11. Authorize the Executive Director, or her designee, in consultation with the Supervisorial Districts, to terminate CDBG Reimbursable and Advance Contracts utilizing FY 2018-2019 or prior year funds when the operating agencies fail to address administrative deficiencies, CDBG Program compliance issues, or other contract obligations; and authorize the Executive Director, or her designee, to take all related actions, including execution of any necessary documents, to effect such terminations, following approval as to form by County Counsel.
12. Instruct the Executive Director, or her designee, to identify and deposit into unprogrammed fund accounts of the respective Supervisorial Districts, all CDBG funds that are unexpended, disallowed, or recovered as a result of full or partial CDBG Reimbursable or Advance Contract terminations.
13. Approve the transfer of \$2,565,924 in FY 2018-2019 CDBG funds from the Commission to the Housing Authority to carry out seven new projects, involving improvements and services for public housing residents, and to continue to administer \$220,000 in prior year CDBG funds for three projects, through the Housing Authority's annual budget approval process, to be effective from July 1, 2018 to June 30, 2019.

14. Authorize the Executive Director, or her designee, to modify project funding to incorporate all CDBG, HOME, and ESG funds as needed into the Commission's FY 2018-2019 budget, upon receipt of final allocations from HUD.
15. Authorize the Executive Director, or her designee, to enter into agreements with Los Angeles Urban County participating cities or other entitlement cities to provide administrative and construction management and oversight of their CDBG and HOME Programs including procurement, contracting for, and carrying out construction projects within these jurisdictions.
16. Authorize the Executive Director, or her designee, to administer the CDBG Revolving Grant Fund, comprised of funding reallocated by participating cities; and the authority to sign agreements with cities that would utilize such funds for specific CDBG-eligible activities upon application by jurisdictions that participate in the Los Angeles Urban County Program, following County Counsel approval; and execute contracts transferring these funds, up to \$100,000, following County Counsel approval. The funds withdrawn from the pool would be repaid with future CDBG funds allocated to the participating city that utilized funds from the pool.
17. Approve a CDBG Reimbursable Contract Amendment with the City of Manhattan Beach, attached in substantially final form; for the purpose of transferring \$198,646 to the City from the CDBG Revolving Grant Fund, and authorize the Executive Director, or her designee, to execute the CDBG Reimbursable Contract Amendment, following approval as to form by County Counsel.
18. Authorize the Executive Director, or her designee, to enter into agreements with Los Angeles Urban County participating cities and Shelter Partnership, Inc., in order to provide funds to Shelter Partnership, Inc., and to execute contracts of up to \$100,000, and any necessary non-monetary amendments, following approval as to form by County Counsel.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Consolidated Plan is a five-year strategy for the County to expend CDBG, HOME, and ESG funds. The Action Plan is a component of the Consolidated Plan that defines projects and programs to be implemented with these funds over a one-year period. On May 28, 2013, the Board approved the Five-Year Consolidated Plan for 2013-2018, and on May 23, 2017 the Board approved the FY 2017-2018 Action Plan. These documents have been

updated as required by HUD. The current Consolidated Plan and FY 2017-2018 Action Plan end on June 30, 2018, and new plans must be adopted by the Board in order to receive continued funding from HUD. The new Action Plan includes a description of the activities to be undertaken during FY 2018-2019 to address the objectives of the Consolidated Plan's five-year strategy. Following approval by the Board of Supervisors, the Consolidated and Action Plans must be submitted to HUD by June 1, 2018. FY 2018-2019 is the first year of the new Consolidated Plan.

The National Affordable Housing Act (NAHA) of 1990 (Cranston/Gonzalez Housing Act), as amended in 1992, requires that the County provide a single, consolidated submission of the proposed expenditure of funds to be eligible for HUD formula grant funding, including CDBG, HOME, and ESG. The Action Plan satisfies these federal requirements to provide for the release of funds. The purpose of the recommended actions is to allow the Commission to administer the Action Plan and the allocated federal funds on behalf of the County.

On September 26, 2017, your Board approved the 2017 Assessment of Fair Housing (AFH) for the Los Angeles Urban County and Housing Authority for subsequent submittal to HUD. On January 5, 2018, HUD released a notice announcing that they would discontinue the review of previously submitted AFHs and would extend the deadline for submission to after October 31, 2020. They encouraged agencies to use the information contained in their draft AFHs to conduct the required Analysis of Impediments to Fair Housing Choice (AI). In line with HUD's suggestion and with our commitment to fair housing, the Commission and Housing Authority will include AFH identified goals and impediments in the AI and will report on the progress annually. The Consolidated Plan document includes the AFH identified goals as part of its FYs 2018-2023 goals.

FISCAL IMPACT/FINANCING

There is no impact on the County general fund.

The FY 2018-2019 Action Plan allocates an estimated total of \$41,511,787. This funding is estimated pending final allocations by HUD. The funding is comprised of the following: \$22,857,365 in CDBG grant funds; \$226,422 in CDBG funds received as a joint applicant with the City of Cerritos and \$921,281 received as a joint applicant with the City of Torrance; \$2,500,000 in future CDBG program income; \$9,138,619 HOME Program funds; \$4,000,000 in future HOME program income, and \$1,868,101 in Federal ESG funds, which will be included in the Commission's FY 2018-2019 budget through the annual budget approval process, all subject to final notification of approval by HUD. The funding amounts and allocations will be adjusted following receipt of the final CDBG, Federal ESG, and HOME amounts from HUD.

CDBG funds total \$26,505,068, and are comprised of new and program income funds, of which \$4,801,013 will be used for administration. A total of \$11,019,590 in CDBG funds will be allocated among the five Supervisorial Districts for projects in the unincorporated

areas of the County. Funds are allocated by Supervisorial Districts to the Housing Authority for \$2,565,924 for seven new projects and \$220,000 for three continuing projects for residents of public housing. A total of \$10,684,465 in CDBG funds will be allocated among the 47 participating cities. Projects to address housing and community needs will be implemented by the Commission, Housing Authority, and the Los Angeles County Departments of Regional Planning, Parks and Recreation, Consumer Affairs, Los Angeles County Public Library, and the Sheriff's Department (collectively, County Departments), and approximately 26 community-based organizations and other public agencies.

The CDBG Reimbursable Contract with the City of Bell Gardens, currently repaying a Section 108 loan, will be amended to reduce its allocation of FY 2018-2019 CDBG funds by \$586,360 in order to set aside the annual repayment amount that is due under a separate Section 108 loan agreement. This is the final year of this Section 108 loan.

The CDBG Reimbursable Contract with the City of Manhattan Beach will be amended to transfer \$198,646 from the CDBG Grant Revolving Fund to the City, following approval as to form by County Counsel.

HOME funds an estimated total \$9,138,619, of which \$913,862 will be used for HOME Program administration, as determined by HUD. The First-Time Home Ownership Program will use \$4,260,000 in FY 2018-2019 HOME funds to provide homeownership opportunities in the unincorporated areas of the County and participating cities, \$426,000 will be used for home rehabilitation, and housing development is allocated \$3,538,757. HOME funds may be reprogrammed based on homeownership or development needs. In addition, \$4,000,000 in previously approved prior year HOME funds will be allocated among the above activities.

ESG funds total an estimated \$1,868,101, which will be allocated to LAHSA for projects to assist persons who are homeless in the unincorporated areas of the County and participating cities.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Executive Director, or her designee, is requesting the following authorities:

- To terminate CDBG contracts with operating agencies that fail to address administrative deficiencies, CDBG Program compliance issues, or other contract obligations. Following consultation with County Counsel and the respective Supervisorial Districts, the Commission will determine whether it is in the best interest of the County to suspend funding for non-compliant agencies for the CDBG Program Year and/or terminate the contract(s). If so, the Commission will then recover any disallowed or unexpended funds and return said funds to the appropriate Supervisorial Districts.

- To execute these contracts and any necessary non-monetary amendments, as well as any monetary amendments up to her contract signature authority of \$100,000.
- To enter into agreements with cities participating in the Los Angeles Urban County or other entitlement cities to provide administrative, construction management, and oversight of their CDBG and HOME Programs including procurement, contracting for, and carrying out construction projects within these jurisdictions. Administrative services would include such tasks as consulting with the cities to provide project recommendations; drafting information for public noticing and other citizen participation activities; conducting procurements and assisting with developing contracts with vendors, contractors, and other service providers; assisting the cities and service providers with compiling information for project quarterly performance reports; collecting reimbursable expenditure information in order to process payment requests; and overseeing construction or other CDBG-eligible activities. The Commission would be compensated by each jurisdiction using CDBG or non-CDBG funds. The Board will be notified each time such an agreement is executed.
- To administer the CDBG Revolving Grant Fund, comprised of funds reallocated by participating cities; and the authority to sign agreements with cities that would utilize such funds for specific CDBG-eligible activities upon application by jurisdictions that participate in the Los Angeles Urban County Program, following County Counsel approval; and to execute contracts transferring these funds to the city(s) of up to \$100,000, following County Counsel approval. The funds withdrawn from the pool would be repaid with future CDBG funds allocated to the participating city that utilized funds from the pool.
- To enter into agreements with Los Angeles Urban County participating cities and Shelter Partnership, Inc., in order to provide funds to Shelter Partnership, Inc., and to execute contracts of up to \$100,000, and any necessary non-monetary amendments, following approval as to form by County Counsel.

All public notice requirements contained in 24 Code of Federal Regulations (CFR) Part 91 Section 91.105 of the NAHA for approval of the Action Plan have been satisfied. Public participation was conducted through outreach mailings, surveys, and the establishment of a Commission outreach and information website. Six community meetings were held in April 2017 (in conjunction with the AFH) to solicit further public participation. Comments received through all of these efforts have been incorporated into the Action Plan and the documents were posted on the outreach website in April 2018 to update the community regarding the comments received through the participation process. Public notices of the 30-day comment period and hearing were published in newspapers in various languages throughout the County and copies of the draft Action Plan were made available for review at public libraries. The comment period will conclude on May 22, 2018.

The following documents are attached to this letter: FY 2018-2019 CDBG Program Allocation Funding Summary (Attachment A); FY 2018-2019 HOME Grant Fund Reservations and Set-Asides (Attachment B); Proposed Use of Federal ESG Funds (Attachment C); FY 2018-2019 Funding for Participating Cities (Attachment D); and the following standard sample contracts or amendments: CDBG Reimbursable Contract with a Participating City (Attachment E); CDBG Revolving Grant Fund Reimbursable Contract Amendment with Manhattan Beach (Attachment F); Reimbursable Contract with an Other Public Agency (Attachment G); CDBG Reimbursable Contract with a Community-Based Organization (Attachment H); Section 108 Reimbursable Contract with a Participating City (Attachment I); Federal ESG Program Advance Contract (Attachment J); Agreement to Implement a CDBG Project with a Participating City (Attachment K); City Reimbursable Contract Amendment for Homeless Activities (Attachment L); and FY 2018-2019 Summary Totals for Minority and Women Board Members and Employees for funded community-based organizations (Attachment M).

Projects proposed in the Action Plan are being Federally-funded. As applicable, the administering agencies will be subject to the prevailing wage requirements of the Davis-Bacon Act, and related Acts, and Section 3 of the Housing and Community Development Act of 1968, as amended, which requires that employment and other economic opportunities generated by certain HUD assistance be directed to persons of limited means, particularly to persons who are recipients of HUD housing assistance. However, where Section 3 is not applicable, the agencies will be subject to the County's Greater Avenues for Independence (GAIN) Program and General Relief Opportunity for Work (GROW) Program, which furthers the same or similar goals.

This letter has been reviewed by County Counsel.

ENVIRONMENTAL DOCUMENTATION

These actions are exempt from the provisions of National Environmental Policy Act pursuant to 24 CFR, Part 58, Section 58.34(a)(3) because they are administrative actions and do not involve activities that will alter existing environmental conditions. The actions are not subject to the provisions of CEQA, pursuant to State CEQA Guidelines 15060(c)(3) and 15378, because they are not defined as a project under CEQA and do not have the potential for causing a significant effect on the environment.

Each project within the Action Plan will be reviewed for environmental impact on a project-by-project basis before funding is released.

CONTRACTING PROCESS

The County does not use a competitive process to award CDBG contracts to non-profit agencies. Each Supervisorial District utilizes the Community Resources Investment Strategy (CRIS), citizen input from community meetings, and consultations with the Commission in order to select agencies that best meet community needs.

HOME funds are used to implement a variety of affordable housing development programs available to households earning less than 80% of the area median income for the Los Angeles-Long Beach Metropolitan Statistical Area, adjusted for family size, as determined by HUD. HOME funds for development are made available on an annual basis through a competitive Notice of Funds Availability (NOFA) to for-profit and non-profit developers. Projects are selected to maximize the impacts of HOME funds based on viability, financial feasibility, and appropriateness to geographic location and community need. Funds are also made available on a first-come, first-served basis to income-qualified buyers for the purchase of existing housing.

ESG funds are allocated to LAHSA. LAHSA contracts with non-profit and government agencies in order to provide housing and services for individuals and families that are homeless.

IMPACT ON CURRENT PROJECTS

The projects contained in the Action Plan will benefit residents of limited means in the unincorporated County and participating cities.

Respectfully submitted,



MONIQUE KING-VIEHLAND
Executive Director

Attachments

**FY 2018-2019 CDBG PROGRAM ALLOCATION
JULY 1, 2018 TO JUNE 30, 2019
FUNDING SUMMARY**

Grant Funds To Be Received

Urban County Entitlement Funds	\$22,857,365
Received from the City of Cerritos	\$226,422
Received from the City of Torrance	\$921,281
Estimated Program Income	<u>\$2,500,000</u>
TOTAL PROGRAM REVENUES	\$26,505,068

Distribution of CDBG Funds

Unincorporated Areas ¹	\$11,019,590
Participating Cities ²	\$10,684,465
Countywide Administration	<u>\$4,801,013</u>
TOTAL	\$26,505,068

¹Includes funds for district allocations and half of estimated program income.

²Includes funds for city allocations and half of estimated program income.

ATTACHMENT B**FY 2018-2019 HOME GRANT
FUND RESERVATIONS AND SET-ASIDES**

The following chart depicts the distribution of HOME funds among housing activities within the Los Angeles Urban County.

PROGRAM*	FUNDS
HOME Administration	\$ 913,862
Housing Development	3,538,757
Home Ownership Program	4,260,000
Rehabilitation Program	426,000
Total Funds	\$ 9,138,619

*Funds among activities may be reprogrammed. In addition, \$4,000,000 in projected HOME program income will be allocated among the above activities.

PROPOSED USE OF FEDERAL ESG FUNDS

LAHSA proposes to use the 2018-2019 Emergency Solutions Grant (ESG) allocation to meet the purpose of the Stewart B. McKinney Homeless Assistance Act 24 Code of Federal Regulations 576.1 (b) as amended by The Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009 and to meet the goals in the FY 2018-2023 Consolidated Plan.

In 2009, the HEARTH Act revised the Emergency Shelter Grant Program and renamed the program to the Emergency Solutions Grant (ESG) Program and also revised it to broaden existing emergency shelter and homelessness prevention activities to add rapid re-housing activities. As such, homelessness prevention and rapid re-housing services will be provided, along with homeless shelter and street outreach. Together, these activities will strengthen the referral system of these services in order to address the needs of individuals and families at risk of homelessness and persons that are now chronically homeless.

The following is an estimate of the percentages of the ESG funds to be allocated to the various eligible activities:

ELIGIBLE ACTIVITY	ALLOCATION	%
Street Outreach	102,770	5.50%
Emergency Shelter	1,133,649	60.68%
Rapid Re-Housing	375,088	20.08%
HMIS	116,487	6.24%
Administration	140,107	7.50%
Total	1,868,101	100.00%

LAHSA will meet the matching funds requirement with 100% Federal Supportive Housing Program funds for the 2018-2019 Program Year.

ATTACHMENT D**FY 2018-2019 FUNDING FOR PARTICIPATING CITIES**

CONTRACT NO.	CITY	FY 2018-2019 ALLOCATION
70710	AGOURA HILLS	\$70,930
70711	ARCADIA	337,839
70712	AVALON	39,104
70713	AZUSA	475,147
70714	BELL	503,140
70715	BELL GARDENS	620,023
70716	BEVERLY HILLS	184,000
70718	CALABASAS	92,946
72219	CERRITOS*	181,138
70719	CLAREMONT	150,235
70720	COMMERCE	133,921
70721	COVINA	351,570
70722	CUDAHY	366,329
70723	CULVER CITY	211,601
70724	DIAMOND BAR	224,820
70725	DUARTE	155,964
70726	EL SEGUNDO	58,888
70727	HAWAIIAN GARDENS	155,183
70728	HERMOSA BEACH	74,137
70729	IRWINDALE	10,397
70730	LA CANADA-FLINTRIDGE	65,433
70731	LA HABRA HEIGHTS	16,343
70732	LA MIRADA	250,653
70733	LA PUENTE	368,583
70734	LA VERNE	150,155
70735	LAWNDALE	341,156
70736	LOMITA	136,108
70737	MALIBU	51,254
70738	MANHATTAN BEACH	111,485
70739	MAYWOOD	405,286
70740	MONROVIA	246,349
70741	RANCHO PALOS VERDES	156,517
70743	ROLLING HILLS ESTATES	24,555
70744	SAN DIMAS	147,692
70745	SAN FERNANDO	252,967
70746	SAN GABRIEL	348,639

CONTRACT NO.	CITY	FY 2018-2019 ALLOCATION
70747	SAN MARINO	42,666
70748	SANTA FE SPRINGS	120,642
70749	SIERRA MADRE	49,679
70750	SIGNAL HILL	63,924
70751	SOUTH EL MONTE	219,955
70752	SOUTH PASADENA	134,664
70753	TEMPLE CITY	196,107
70757	TORRANCE*	737,025
70754	WALNUT	122,401
70755	WEST HOLLYWOOD	249,696
71556	WESTLAKE VILLAGE	27,224
TOTAL		\$8,516,302

*As joint applicants with the County, Cerritos and Torrance receive \$226,422 and \$921,281, respectively. The amounts shown above reflect the total amount each city will receive after the administration fee is subtracted from the grant total.

**COUNTY OF LOS ANGELES
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
REIMBURSABLE CONTRACT
WITH PARTICIPATING CITY**

CONTRACT NUMBER: «Contract_No»

THIS REIMBURSABLE CONTRACT (Contract) is made and entered into this «Day» day of «Month», 20«CurrentYear», by and between the County of Los Angeles, hereinafter called the "County", acting by and through the Community Development Commission of the County of Los Angeles (Commission), and the «Agency_Name», hereinafter called the "Operating Agency."

WITNESSETH THAT:

WHEREAS, the County has entered into a contract with the United States of America, through its U.S. Department of Housing and Urban Development (HUD), to execute the County's Community Development Block Grant (CDBG) Program (Program) under the Housing and Community Development Act of 1974, as amended, hereinafter called the "Act;"

WHEREAS, California Government Code Section 53703 authorizes the County and Operating Agency to enter into this Contract in furtherance of the Program; and

WHEREAS, the Operating Agency desires to participate in said Program.

NOW, THEREFORE, in consideration of the mutual covenants herein set forth and the mutual benefits to be derived therefrom, the parties agree as follows:

1. CONTRACT ADMINISTRATION. The Commission, through its Executive Director (Commission), or his designee, shall have full authority to act for the County in the administration of this Contract consistent with the provisions contained herein.
2. SCOPE OF SERVICES. The Operating Agency is to perform services consistent with the goals and objectives set forth in the Commission Housing and Community Development Consolidated Plan (HCDCP), adopted by the County Board of Supervisors on May 22, 2018, or any amendment or successor thereto, which is incorporated herein by this reference.
3. AGREEMENT TO IMPLEMENT. The Operating Agency is eligible for reimbursement for a project implemented under this Contract only after an Agreement to Implement (ATI), accompanied by detailed Project Descriptions and Budgets for each project funded, are developed to the satisfaction of the Executive Director, or his designee, and is executed by both the Executive Director, or his designee, and the Operating Agency. This Contract shall consist of this document, the ATI, and attachments: Exhibit A(s), Project Descriptions and Activity Budgets, and Exhibit B, Insurance Requirements.

4. TIME OF PERFORMANCE. The Operating Agency shall commence services no sooner than the date first written above, and shall complete same by no later than «EndDate». Specified project start and completion dates shall be a part of the ATI procedure described above for initiating the project(s).
5. COMPENSATION AND METHOD OF PAYMENT. For satisfactory performance under this Contract, the County shall reimburse the Operating Agency an amount not to exceed «Budget» «Budget_Amount», which shall constitute full and complete compensation hereunder for the implementation of this Contract. Said compensation will only be paid out of funds received by the County from the Federal government under the Act, or from program income, as described in 2 CFR Part 200 Subpart D 200.307 and 24 CFR Section 570.504, accumulated under said program, for allowable costs actually paid for the expressed purposes specified. The parties understand and agree that such compensation, if any, shall be conditioned upon receipt of said funds by the County from the Federal government or accumulation of program income from said program, and shall not be a charge against any other funds of the County. Further, such funds, if any, shall be paid only after development and execution of the ATI(s) necessary to implement the project(s) covered by this Contract and submission and approval of the electronic payment request form. This payment request form must be submitted on a minimum of a bi-monthly basis as specified and provided by the County. The Operating Agency shall bill for expenditures on a reimbursable basis for each project for which an ATI has been executed. After timely receipt and approval of each payment request form, the County will draw a check in favor of the Operating Agency in the approved amount. After the expiration of the financial closeout period, those funds not paid under this Contract, if any, will be returned to the Operating Agency's un-programmed funds.

The Operating Agency shall have no claim against the County for payment of any money or reimbursement, of any kind whatsoever, for any service provided by the Operating Agency after the expiration or other termination of this Contract. Should the Operating Agency receive any such payment, it shall immediately notify the County and shall immediately repay all such funds to the County. Payment by the County for services rendered after expiration and/or termination of this Contract shall not constitute a waiver of the County's right to recover such payment from the Operating Agency. This provision shall survive the expiration or other termination of this Contract.

6. ACCOUNTING. The Operating Agency shall establish and maintain on a current basis an adequate accounting system in accordance with generally accepted accounting principles and standards, and the County Auditor-Controller Contract Accounting and Administration Handbook. Regardless of the Operating Agency's method of accounting, expenses must be reported in accordance with Sections 5 and 49 of this Contract.
7. EXPENDITURE STANDARDS. The Operating Agency shall not have more than 150% of its allocation for the current year unexpended after March 31 of each

program year. An Operating Agency's failure to meet this standard constitutes noncompliance with the Performance Policy and may result in reductions to the Operating Agency's current un-programmed funds and/or subsequent annual allocations to ensure that the expenditure standard is met.

Changes in the grant allocation will be made following completion of the appeals process as outlined in the CDBG Participating Cities Drawdown Performance Policy and Appeals Process. The County reserves the right to make the final determination, in its sole discretion, as to the amount of reduction of the Operating Agency's grant allocation, if any.

8. COMPLIANCE WITH LAWS. All parties agree to be bound by all applicable Federal, State, and local laws, ordinances, regulations, and directives as they pertain to the performance of this Contract. This Contract is subject to and incorporates the terms of the Act; 24 CFR Part 570; 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Executive Order 12372; the County Auditor-Controller Contract Accounting and Administration Handbook; and all amendments or successor laws, regulations, or guidelines thereto (hereinafter called the "Laws, Regulations and Guidelines"). The Operating Agency has, and shall maintain, copies of the Laws, Regulations and Guidelines. Furthermore, the Operating Agency acknowledges that it has read and understands the Laws, Regulations, and Guidelines.

As required by 2 CFR Part 200 Section 200.414, the Operating Agency may charge an indirect cost rate to this contract that is based on:

- a. The negotiated indirect rate approved by its cognizant agency for the Fiscal Year applicable to this contract; or
- b. If the Operating Agency receives less than \$35 Million in Federal funding and has never received a negotiated indirect cost rate from a Federal Agency, a de minimis rate of 10% of Modified Total Direct Costs (MTDC), as defined in 2 CFR Part 200.68.

The Catalogue of Federal Domestic Assistance (CFDA) number assigned to the Community Development Block Grant Program is 14.218 and the Federal Award Identification Number (FAIN) assigned to the County is B-18-UC-06-0505. The Federal Award date is effective July 1, 2018, and is authorized upon signature of the designated HUD Official.

The Operating Agency is required by the County to register and maintain an active Unique Entity Identifier (also known as the Data Universal Numbering System (DUNS) number) in order to apply for, receive, implement, and report on a Federally-funded program. Furthermore, the County certifies that it has received and maintains an active Unique Entity Identifier number for each Agency.

The Operating Agency shall comply with all applicable uniform administrative requirements. The Operating Agency shall carry out each activity in compliance with all applicable Federal laws and regulations described in 24 CFR Part 570 Subparts J and K, and 2 CFR Part 200, except that:

- a. The Operating Agency does not assume the County environmental responsibilities described in 24 CFR Section 570.604, and 24 CFR Part 58.1; and;
- b. The Operating Agency does not assume the County's responsibility for initiating the review process under Executive Order 12372.

The Operating Agency agrees to be bound by applicable Federal, State and local laws, regulations, and directives as they pertain to the performance of the Contract, including, but not limited to, Sections a-j below. This Contract is subject to and incorporates the terms of the Housing and Community Development Act of 1974, as amended by the Cranston-Gonzales National Affordable Housing Act, 1990 and 2 CFR, Part 200.

- a. The Operating Agency shall comply with the Civil Rights Act of 1964 Title VI which provides that no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.
- b. The Operating Agency shall comply with Section 109 of the Housing and Community Development Act of 1974 which states that no person in the United States shall, on the grounds of race, color, sex or national origin be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.
- c. The Operating Agency shall comply with the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, which require that no person in the United States shall be excluded from participating in, denied the benefits of, or be subjected to discrimination under this Contract on the basis of age or with respect to an otherwise qualified disability.
- d. The Operating Agency shall comply with 24 CFR Part 5, including non-discrimination and equal opportunity requirements at 24 CFR 5.105(a). Furthermore, the Operating Agency shall comply with 24 CFR Parts 5 and 203, which prohibit discrimination in HUD-funded programs based upon sexual orientation or gender identity. The rule precludes owners and operators of HUD-assisted housing or housing who's financing is insured by HUD from inquiring about the sexual orientation or gender identity of an applicant or occupant.

- e. The Operating Agency shall ensure equal opportunity, in the award and performance of any contract, to all persons without regard to race, color, gender, sexual orientation, religion, national origin, ancestry, age, marital status, or disability.
- f. During the performance of this contract, the Operating Agency agrees as follows:
 - i. The Operating Agency shall comply with Executive Order 11246 of September 24, 1965, titled, Equal Employment Opportunity, later amended by Executive Order 11375 on October 13, 1967 and supplemented in Department of Labor Guidelines (41 CFR Part 60), which require that during the performance of this Contract, the Operating Agency will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Operating Agency will take affirmative action to ensure that applicants are employed, and that employees are treated fairly during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: employment, promotion, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Operating Agency agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of the non-discrimination clause.
 - ii. The Operating Agency will, in all solicitations or advertisements for employees placed by or on behalf of the Operating Agency, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
 - iii. The Operating Agency will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency of the Operating Agency's contracting officer, advising the labor union or worker's representative of the Operating Agency's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
 - iv. The Operating Agency will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.

- v. The Operating Agency will furnish all information and reports required by the Executive Orders and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the Commission and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- vi. In the event that the Operating Agency fails to comply with the non-discrimination clauses of this Contract or with any of such rules, regulations, or orders, this Contract may be canceled, terminated, or suspended in whole or in part, and the Operating Agency may be declared ineligible for further Government contracts in accordance with procedures authorized in the Executive Orders and such other sanctions may be imposed and remedies invoked as provided in the Executive Orders or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- vii. The Operating Agency will include the provisions of these paragraphs in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of the Executive Order No. 11246 of September 24, 1965, that such provisions shall be binding upon each subcontractor or vendor. The Operating Agency will take such actions with respect to any subcontract or purchase order as the County may direct as a means of enforcing such provisions including sanctions for noncompliance, provided however, that in the event the Operating Agency becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of such direction by the County, the Operating Agency may request the United States to enter into such litigation to protect the interests of the United States.
- g. The Operating Agency shall comply with Executive Order 13166, titled "Improving Access to Services by Persons with Limited English Proficiency." Executive Order 13166 requires that Federally-assisted agencies make reasonable efforts to provide language assistance to ensure meaningful access for Limited English Proficiency (LEP) persons to the agency's programs and activities. HUD guidelines on LEP were published in the Federal Register on January 22, 2007, and were effective February 21, 2007. These HUD guidelines should be applied to Federally-subsidized housing, programs, and other services which may be contracted out to other contractors.
- h. Should the Operating Agency require additional or replacement personnel after the effective date of this Contract, the Operating Agency shall give consideration for any such employment openings to participants in the County's Department of Public Social Services' Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work

(GROW) Program who meet the Contractor's minimum qualifications for the open position. The Operating Agency shall contact the County's GAIN and GROW Programs at (562) 908-6858 for a list of GAIN/GROW participants by job category.

- i. The Operating Agency is prohibited by the Department of Interior and Related Agencies Appropriations Act, known as the Byrd Amendments, and HUD's 24 CFR Part 87, from using Federally-appropriated funds for the purpose of influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, loan, or cooperative Contract, and any extension, continuation, renewal, amendment, or modification of said documents.

Should the Operating Agency or persons/subcontractors acting on behalf of the Contract fail to fully comply with the Federal Lobbyist Requirements civil penalties shall result.

- j. The Operating Agency and each County lobbyist or County lobbyist firm, as defined in Los Angeles County Code Chapter 2.160 (County Ordinance 93-0031), retained by the Operating Agency, shall fully comply with the requirements as set forth in said County Code Chapter.

9. LOBBYING CERTIFICATIONS. With regard to the certification for contracts, grants, loans and Cooperative Agreements, the undersigned certify, to the best of their knowledge and belief, that:

- a. The Operating Agency is familiar with the Los Angeles County Code Chapter 2.160 and assures the County that all persons acting on behalf of the Operating Agency will comply with the County Code.
- b. The Operating Agency is familiar with the Federal Lobbyist Requirements and assures the County that all persons and/or subcontractors acting on behalf of the Operating Agency will comply with the Federal Lobbyist Requirements.
- c. No Federally-appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

- d. If any funds other than Federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, or any employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- e. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including sub-contracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

10. TERMINATION FOR FAILURE TO COMPLY WITH FEDERAL AND COUNTY LOBBYIST REQUIREMENTS. Failure on the part of the Operating Agency and/or its Lobbyist(s) to fully comply with said Federal and County Lobbyist requirements shall constitute a material breach of the Contract upon which the County may immediately terminate this Contract, and the Operating Agency shall be liable for any and all damages incurred by the County and/or any Federal agency as a result of such breach.

11. PROGRAM REVIEW AND EVALUATION. The County will monitor, evaluate and provide guidance to the Operating Agency in the performance of the CDBG Program. Reviews will focus on the extent to which the planned CDBG Program has been implemented and measurable goals achieved, effectiveness of the program management, and impact of the program.

The Operating Agency shall make available for inspection to authorized County and HUD personnel and their agents, for a total of five (5) years from the expiration date of this Contract, all records, including financial, pertaining to its performance under this Contract, and allow said County and HUD personnel and agents to inspect and monitor Operating Agency's facilities and program operations, and interview Operating Agency staff and program participants, as required by the County and/or HUD.

The Operating Agency agrees to submit all data that are necessary to complete the Consolidated Annual Performance and Evaluation Report (CAPER) and monitor

program accountability and progress in accordance with HUD requirements in the format and at the time designated by the Commission, through its Executive Director or his designee.

Failure of the Operating Agency to comply with the requirements of this Section shall constitute a material breach of the Contract upon which the Commission, through its Executive Director, or his designee, may cancel, terminate or suspend this Contract.

12. AUDITS. The Operating Agency shall make available for inspection and audit to authorized County and HUD personnel and their agents, for a total of five (5) years from the expiration date of this Contract, and allow said County and HUD personnel and agents to inspect and audit all of its books and records relating to the operating of each project or business activity which is funded in whole, or in part, with Federal or State grant monies, including the project(s) under this Contract.

Failure of the Operating Agency to comply with the requirements of this Section shall constitute a material breach of this Contract upon which the Commission, through its Executive Director, may cancel, terminate or suspend this Contract.

13. AUDIT EXCEPTIONS. The Operating Agency agrees that in the event that the program established hereunder is subject to audit exceptions by appropriate audit agencies, it shall be responsible for complying with such exceptions and paying the County the full amount of the County's liability to the funding agency resulting from such audit exceptions.

14. CONFIDENTIALITY OF REPORTS. The Operating Agency shall keep confidential all reports, information and data received, prepared or assembled pursuant to performance hereunder. Such information shall not be made available to any person, firm, corporation or entity without the prior written consent of the County.

15. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT, AND ACCIDENT PREVENTION. The Operating Agency shall comply with the Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, contracts awarded in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision in compliance with 40 U.S.C. 3702 and 3704, as supplemented by the Department of Labor Regulations (29 CFR Part 5).

The Operating Agency shall also comply with all applicable Federal, State, and local laws governing safety, health, and sanitation. The Operating Agency shall provide all safeguard safety devices and protective equipment and take any other needed actions, as its own responsibility, as reasonably necessary to protect the life and health of employees on the job, the safety of the public and personal, and real property in connection with the performance of this Contract.

16. SEVERABILITY. In the event that any provision herein contained is held to be invalid, void, or illegal by any court of competent jurisdiction, the same shall be deemed severable from the remainder of this Contract and shall in no way affect, impair or invalidate any other provisions contained herein. If any such provision shall be deemed invalid due to its scope of breadth, such provision shall be deemed valid to the extent of the scope of breadth permitted by law.
17. INTERPRETATION. No provision of this Contract shall be interpreted for or against either party because that party or that party's legal representative drafted such provision, but this Contract is to be construed as if both parties drafted it hereto.
18. WAIVER. No waiver by the County of any breach of any provision of this Contract shall constitute a waiver of any other breach or of such provision. Failure of the County to enforce at any time, or from time to time, any provision of this Contract shall not be construed as a waiver thereof. The rights and remedies set forth in this section 18 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.
19. REPORTS AND RECORDS. The Operating Agency agrees to prepare and submit financial, program progress, monitoring, evaluation, or other reports required by the County. The Operating Agency shall maintain and permit onsite inspections of such property, personnel, financial, and other records and accounts as are considered necessary by the County to assure proper accounting for all Contract funds during the term of this Contract and for a total of five (5) years thereafter. The Operating Agency will ensure that its employees, agents, City Council members, officers, and board members furnish such information which, in the judgment of County representatives, may be relevant to a question of compliance with contractual conditions, with County or HUD directives, or with the effectiveness, legality, and achievements of the program.
20. AFFIRMATIVE ACTION. The Operating Agency shall make every effort to ensure that all projects funded wholly or in part by CDBG funds shall provide equal employment and career advancement opportunities for minorities and women. In addition, the Operating Agency shall make every effort to employ residents of the project area(s) specified in the ATI(s).
21. DISCRIMINATION. No person shall, on the grounds of race, gender sexual orientation, creed, color, religion, national origin, age or physical handicap, be excluded from participating in, be refused the benefits of, or otherwise be subjected to discrimination in any activities, programs or employment supported by this Contract.
22. FISCAL LIMITATIONS. The United States of America, through HUD, may, in the future, place programmatic or fiscal limitation(s) on CDBG funds. Accordingly, the County reserves the right, in its sole discretion, to revise this Contract in order to take into account actions and events affecting CDBG program funding. In the event of a CDBG funding reduction by HUD, the County may, in its sole discretion, reduce the

compensation amount of this Contract in whole or in part, or may limit the rate of the Operating Agency's use of both its uncommitted and its unspent funds. The Commission, through its Executive Director, or his designee, may act for the County in implementing and effecting such a reduction in the compensation amount of this Contract.

Where the Commission, through its Executive Director, or his designee, has reasonable grounds to question the fiscal accountability, financial soundness, or compliance with this Contract of the Operating Agency, the Commission, through its Executive Director, or his designee, may suspend this Contract for up to 60 days, upon three (3) days' notice to the Operating Agency pending an audit or other resolution of such questions. In no event, however, shall a revision made by the County affect expenditures and legally binding commitments made by the Operating Agency before it received notice of such revision, provided that such amounts have been committed in good faith and are otherwise allowable, that such commitments are consistent with HUD cash withdrawal guidelines, and that CDBG funds are available to the County to satisfy such expenditures or legally binding commitments.

23. PROGRAM INCOME. Program Income shall be returned monthly for the duration of this Contract. Upon termination of this Contract, the County reserves the right to determine the final disposition of any program income, as described in 2 CFR, Part 200, Subpart D 200.307 and 24 CFR 570.504, accumulated under the project(s) set forth in Exhibit A. Said disposition may include the County taking possession of said program income.
24. TIME OF PERFORMANCE MODIFICATIONS. The Executive Director, or his designee, may grant time of performance modifications to this Contract when such modifications:
 - a. Are specifically requested by the Operating Agency;
 - b. Will not change the project goals or scope of services;
 - c. Are in the best interests of the County and the Operating Agency in performing the scope of services under this Contract;
 - d. Do not alter the total amount of compensation under this Contract; and
 - e. Are in writing prior to expenditures being made.
25. JOINT FUNDING. For projects in which there are sources of funds in addition to CDBG funds, the Operating Agency shall provide proof of such other funding upon request. The County shall not pay for any costs incurred by the Operating Agency, which are funded by other sources. All restrictions and/or requirements provided for in this Contract, relative to accounting, budgeting and reporting, apply to the total

project regardless of funding source. Separate financial records shall be kept for each funding source and program.

26. INDEPENDENT CONTRACTOR. Both parties hereto in the performance of this Contract will be acting in an independent capacity and not as agents, employees, partners, joint venture partners, or associates of one another. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever, including workers' compensation liability. The Operating Agency shall bear the sole responsibility and liability for furnishing workers' compensation benefits to any person for injuries arising from or connected with services performed on behalf of the Operating Agency pursuant to this Contract.
27. USE OF FUNDS. All funds approved under this Contract shall be used solely for costs approved in the project budget(s) for the ATI(s) under this Contract. Contract funds shall not be used as a cash advance between contracts, as security to guarantee payments for any non-program obligations, or as loans for non-program activities. Separate financial records shall be kept for such funding source(s) and program.
28. DISALLOWED COSTS. If the Operating Agency has failed to return unexpended funds or funds spent for disallowed costs related to any CDBG contract it has with the County, the County may withhold and offset payments to be made to the Operating Agency under this Contract.
29. ASSIGNMENT. The Operating Agency may not assign or subcontract any portion of this Contract without the express written consent of the County. Any attempt by the Operating Agency to assign or subcontract any performance of the terms of this Contract shall be null and void and shall constitute a material breach of this Contract, upon which the County may immediately terminate this Contract through the Executive Director.
30. SUBCONTRACTING. The requirements of this Contract may not be subcontracted by the Operating Agency without compliance of procurement standards and methods as outlined in 2 CFR Part 200 Subpart D Sections 200.318-200.326. Any attempt by the Operating Agency to subcontract without adherence to Federal regulations as required by the County may be deemed a material breach of this Contract.

If the Operating Agency desires to subcontract, the Operating Agency shall provide the following information promptly at the County's request:

- A description of the work to be performed by the Subcontractor;
- A draft copy of the proposed subcontract; and
- Other pertinent information and/or certifications requested by the County.

The Operating Agency shall indemnify and cause the subcontractor(s) to indemnify and hold the County harmless with respect to the activities of each and every subcontractor in the same manner and to the same degree as if such subcontractor(s) were the Operating Agency's employees.

The Operating Agency shall remain fully responsible for all performances required of it under this Contract, including those that the Operating Agency has determined to subcontract, notwithstanding the County's approval of the Operating Agency's proposed subcontract.

The Operating Agency shall address administrative, contractual, or legal remedies for all contracts in instances where subcontractors violate or breach contract terms. The Operating Agency must provide sanctions and penalties as appropriate.

The County's consent to subcontract shall not waive the County's right to prior and continuing approval of any and all personnel, including subcontractor employees, providing services under this Contract. The Operating Agency is responsible to notify its subcontractors of this County right.

The Commission's Executive Director or his designee is authorized to act for and on behalf of the County with respect to approval of any subcontract and subcontractor employees. After approval of the subcontract by the Commission, the Operating Agency shall forward a fully executed subcontract to the County for their files.

The Operating Agency shall be solely liable and responsible for all payments or other compensation to all subcontractors and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding the County's consent to subcontract.

The Operating Agency shall obtain and maintain on site certificates of insurance, which establish that the subcontractor maintains all the programs of insurance required by the County from each approved subcontractor. The County may request copies of the certificates and endorsements required herein at any time. Failure by the Operating Agency to comply with the County's request may be deemed by the County as a material breach of this Contract.

31. AMENDMENTS/VARIATIONS. This writing, with attachments, embodies the whole of the agreement of the parties hereto. No oral agreement shall be binding upon the parties unless expressly stated herein. Except as provided herein, any addition to or variation of the terms of this Contract shall not be valid unless made in the form of a written amendment of this Contract formally approved and executed by both parties. All Amendments must be received by the County no more than 60 calendar days from the expiration date of this Contract.

32. NOTICES. All notices shall be served in writing. The notices to the Operating Agency shall be sent to the following address:

«Agency_Name»
«Street_Address»
«City», «State» «Zip»

Notices, reports and statements to the County shall be personally delivered or sent via First Class U.S. mail to the Executive Director or his designee at:

Community Development Commission of the County of Los Angeles
Community Development Division – Grants Management Unit
700 W. Main Street
Alhambra, California 91801

Each party shall promptly notify the other of any change in its mailing address.

33. WARRANTY OF AUTHORITY. The undersigned signatory for the Operating Agency covenants, warrants and guarantees that he/she is empowered and authorized to sign this Contract on behalf of Operating Agency in accordance with the terms and conditions stated herein.

34. REVERSION OF ASSETS. Upon expiration or termination of this Contract, the Operating Agency shall immediately transfer to the County any remaining CDBG funds on hand at the time of expiration or termination and any accounts receivable attributable to the use of CDBG funds. Any real property under the Operating Agency's ownership or possession that was acquired or improved in whole or in part with CDBG funds in excess of \$25,000 shall be either:

- a. Used to meet one of the national objectives in 24 CFR Section 570.208 for five (5) years following the close-out of the CDBG grant from which assistance to the property was provided after expiration of this Contract (24 CFR Section 570.505), or such longer period of time as may be specified in the Exhibit A; or
- b. Disposed of in a manner, which results in the County being reimbursed in the amount of the current market value of the property less any portion thereof attributable to expenditures of non-CDBG funds for acquisition of, or improvement to, the property. Such reimbursement is not required after the period of time and under the conditions specified in subparagraph a. above.

The Operating Agency shall maintain the use of the real property and documentation verifying compliance with the national objective for a period of five (5) years after closeout of this project. The Operating Agency must submit to the County a completed certification form verifying that the real property is used exclusively for the eligible use and purpose as provided in the Exhibit A. This form shall be

submitted on an annual basis, when requested, beginning in year two (2) and for a period of five (5) years after closeout of the project. In case of a change of use or disposition, the County must be reimbursed for the market value of the property at the time of disposition, or proceeds from the sale, less the pro rata share of expenditures made with non-CDBG funds to acquire or improve the property.

35. CERTIFICATION PROHIBITING USE OF EXCESSIVE FORCE. In accordance with Section 519 of Public Law 101-144, the undersigned certifies, to the best of the Operating Agency's knowledge and belief that it has adopted and is enforcing:

- a. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
- b. A policy of enforcing applicable State and local laws against individuals physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.

36. DRUG-FREE WORKPLACE. The Operating Agency agrees to provide a drug-free workplace by:

- a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Operating Agency's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
- b. Establishing an ongoing drug-free awareness program to inform employees about:
 - i. The dangers of drug abuse in the workplace;
 - ii. The Operating Agency's policy of maintaining a drug-free workplace;
 - iii. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - iv. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- c. Making it a requirement that each employee, to be engaged in the performance of the grant, be given a copy of the statement required by paragraph a. of this Section 36;
- d. Notifying the employee in the statement required by paragraph a. of this Section 36 that, as a condition of employment under the grant, the employee will -
 - i. Abide by the terms of the statement; and

- ii. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five (5) calendar days after such conviction;
- e. Notifying the County in writing, within ten (10) calendar days after receiving notice under subparagraph d.(ii) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- f. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph d.(ii.), with respect to any employee who is so convicted -
 - i. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - ii. Requiring such an employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency; and
- g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs a, b, c, d, e and f.

37. RESIDENTIAL ANTIDISPLACEMENT AND RELOCATION ASSISTANCE PLAN. Section 104(d) of the Housing and Community Development Act of 1974, also known as the Barney Frank Amendment, requires relocation assistance for displaced low-income families and requires one-for-one replacement of low/moderate income dwelling units that are demolished or converted to other use. When CDBG funds are used in a project, including financing for rehabilitation, or project delivery costs, Section 104(d) is triggered. CDBG Regulations further describe the requirements under 24 CFR Section 570.606 Displacement, Relocation, Acquisition, and Replacement of Housing.

The Operating Agency must adopt and make public a Residential Antidisplacement and Relocation Assistance Plan as part of its administrative requirements to HUD. Before the Operating Agency enters into a Contract committing it to provide funds for any activity that will directly result in the demolition, or conversion to another use, of low/moderate-income dwelling units, it must make public and submit to HUD the information as described in Sections 24 CFR Sections 570.457; 570.496 (a); 570.606 (c); and 570.702 (f).

38. SECTION 3. In order to comply with the Housing and Urban Development Act of 1968, the Operating Agency and, where applicable, its contractor(s) and subcontractor(s) shall comply with Section 3 regulations as described in 24 CFR Part 135. Section 3 compliance activities of the Operating Agency and its contractor(s) and subcontractor(s) shall be governed by the Commission's Construction Compliance Guidelines, as amended, which can be made available to the Operating Agency for inspection and copying upon request, if the Operating Agency does not already possess a copy.

- a. The work to be performed under this Contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low-and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

Section 3 covered assistance and thresholds apply to the following HUD assistance:

- i. Housing and Community Development assistance – Section 3 applies to training, employment, contracting, and other economic opportunities arising in connection with the expenditure of housing assistance (including Section 8 assistance, including other housing assistance not administered by the U.S. Assistant Secretary of housing); community development assistance that is used for housing rehabilitation (including abatement of lead based paint hazards, but excluding routine maintenance, repair and replacement; and other public construction); housing construction; and other public construction.

The threshold for Section 3 covered housing and community development assistance is \$200,000 or more. This threshold applies to recipients of housing and community development program assistance for Section 3 covered programs. The requirements of this section also apply to contractors and subcontractors performing work on Section 3 covered project(s) for which the amount of the assistance exceeds \$200,000, and the contract or subcontract exceeds \$100,000. If a recipient receives Section 3 covered housing or community development assistance in excess of \$200,000, but no contract exceeds \$100,000, then the Section 3 preference requirements apply only to the recipient.

Applicability of Section 3 to an entire project or activity funded with Section 3 assistance. The requirements of this section apply to an entire project or activity that is funded with Section 3 covered

assistance, regardless of whether the activity is fully or partially funded with Section 3 covered assistance.

- b. The parties to this Contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this Contract, the parties to this Contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
 - c. The Operating Agency agrees to send to each labor organization or representative of workers with which the Contractor has a collective bargaining contract or other understanding, if any, a notice advising the labor organization or workers' representative of the Operating Agency's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin.
 - d. The Operating Agency agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The Operating Agency will not subcontract with any subcontractor where the Operating Agency has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
 - e. The Operating Agency will certify that any vacant employment positions, including training positions, that are filled (1) after the Operating Agency is selected but before the Contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the Operating Agency's obligations under 24 CFR Part 135.
 - f. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this Contract for default, and debarment or suspension from future HUD-assisted contracts.
39. COUNTY'S QUALITY ASSURANCE PLAN. The County will evaluate the Operating Agency's performance under this Contract on not less than an annual basis. Such evaluation will include assessing the Operating Agency's compliance with all Contract terms and performance standards. The Operating Agency's deficiencies which the County determines are severe or continuing and that may place performance of the Contract in jeopardy, if not corrected, will be reported to the

Board of Supervisors. The report will include improvement/corrective action measures taken by the County and the Operating Agency. If improvement does not occur consistent with the corrective measure, the County may terminate this Contract, or impose other penalties as specified in this Contract.

40. TERMINATION FOR IMPROPER CONSIDERATION (GRATUITIES). The County may, by written notice to the Operating Agency, immediately terminate the right of the Operating Agency to proceed under this Contract if it is found that improper consideration, in any form, was offered or given by the Operating Agency, either directly or through an intermediary, to any County officer, employee or agent with the intent of securing the Contract or securing favorable treatment with respect to the award, amendment or extension of the Contract or the making of any determinations with respect to the Operating Agency's performance pursuant to the Contract. In the event of such termination, the County shall be entitled to pursue the same remedies against the Operating Agency as it could pursue in the event of default by the Operating Agency.

The Operating Agency shall immediately report any attempt by the County officer or employee to solicit such improper consideration. The Report shall be made to the Executive Director of the Commission or the County Auditor-Controller's Employee Fraud Hotline 800-544-6861.

41. INSURANCE. The Commission, acting as an agent of the County, authorizes the Commission's Risk Manager to determine the requirements of the insurance policies to be procured and maintained by the Operating Agency with respect to its activities and obligations hereunder. Without limiting the Operating Agency's indemnification requirements as set forth in section 43 below, the Operating Agency shall provide and maintain at its own expense during the term of this Contract, a program of insurance satisfactory to the Commission's Risk Manager covering its operations hereunder, as specifically defined in Exhibit B to this Contract, a copy of which is attached hereto and incorporated herein by this reference.
42. FAILURE TO PROCURE INSURANCE. Failure on the part of the Operating Agency to procure or maintain required insurance, pursuant to Exhibit B shall constitute a material breach of the Contract under which the County may immediately suspend or terminate this Contract or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith. All monies so paid by the County shall be repaid by the Operating Agency to the County upon demand or the County may offset the cost of the premiums against any monies due to the Operating Agency from the County.
43. INDEMNIFICATION. The Operating Agency ("Indemnitor") shall indemnify, defend and hold harmless the Community Development Commission of the County of Los Angeles, Housing Authority of the County of Los Angeles, the County of Los Angeles, and each of their elected and appointed officers, officials, representatives, employees, successors, assigns, predecessors, lenders, accountants, attorneys, and

agents (each an “Indemnatee”) from and against any and all liability, demands, damages, claims, causes of action, judgments, awards, expenses, and fees (including reasonable attorneys’, experts’ and consultants’ fees) including, but not limited to, claims for bodily injury, property damage, loss of income, pain and suffering, emotional and psychological distress, and death, that arises from, pertains to, or relates to (whether in whole or in part) the acts, errors, or omissions of Indemnitor, Indemnitor’s agent(s), representative(s), employee(s), or any third party with whom Indemnitor directly contracts with (or for whom Indemnitor is otherwise legally responsible for) in connection with the performance of Indemnitor’s obligations under this Contract (collectively, the “Indemnified Liabilities”). If Indemnitor is a “design professional” within the meaning of *Civil Code* § 2782.8, Indemnitor shall only be required to indemnify and defend Indemnatee to the extent that the claims arise from, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Indemnitor. Notwithstanding anything to the contrary, Indemnitor shall only be required to indemnify a particular Indemnatee to the extent that the Indemnified Liabilities was not caused by the sole negligence, active negligence or willful misconduct of that Indemnatee. Indemnitor agrees to require each and every third party with whom Indemnitor directly contracts with (or for whom Indemnitor is otherwise legally responsible for) to be considered an additional “Indemnitor” under this provision and to separately agree to indemnify, defend, and hold harmless each Indemnatee for the work, materials, and services provided by that third party as required under this provision. The parties intend for this provision to not violate any applicable laws (including *Civil Code* §§ 2782 *et. seq.*) and, to the fullest extent permitted by law, this provision shall be interpreted in such a manner. In the event of a conflict between this provision and any other provision in this Contract or any other contract between Indemnitor and Indemnatee, this provision shall govern. This provision shall survive the termination or expiration of the Contract and will continue to remain in full force and effect for ten years from substantial completion of Indemnitor’s services, work, or provision of materials, or until all applicable statutes of limitations for the Indemnified Liabilities have expired, whichever is longer.

44. NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT. The Operating Agency shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the Federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015.
45. TERMINATION FOR CAUSE. This Contract may be terminated by the County upon written notice to the Operating Agency for just cause (failure to perform satisfactorily) with no penalties incurred by the County upon termination or upon the occurrence of any of the following events in a, b or c:
- a. Should the Operating Agency fail to perform all or any portion of the work required to be performed hereunder in a timely manner or properly carry out the provisions of the Contract in their true intent and meaning, then in such case, notice thereof in writing will be served upon the Operating Agency, and should the Operating Agency neglect or refuse to provide a means for

satisfactory compliance with this Contract and with the direction of the County within the time specified in such notice, the County shall have the power to suspend or terminate the operations of the Operating Agency in whole or in part.

- b. Should the Operating Agency fail within five (5) days to perform in a satisfactory manner, in accordance with the provisions of the Contract, or if the work to be done under said Contract is abandoned for more than three (3) days by the Operating Agency; then notice of deficiency thereof in writing will be served upon the Operating Agency.

Should the Operating Agency fail to comply with the terms of said Contract within five (5) days, upon receipt of said written notice of deficiency, the Executive Director of the Commission shall have the power to suspend or terminate the operations of the Operating Agency in whole or in part.

- c. In the event that a petition of bankruptcy shall be filed by or against the Operating Agency.

46. TERMINATION FOR CONVENIENCE. The County reserves the right to cancel this Contract for any reason at all upon 30 days' prior written notice to the Operating Agency. In the event of such termination, the Operating Agency shall be entitled to a prorated portion paid for all satisfactory work unless such termination is made for cause, in which event, compensation if any, shall be adjusted in such a termination.

47. REVENUE DISCLOSURE REQUIREMENT. Upon request, the Operating Agency shall file with the County a written statement listing all revenue received, or expected to be received, by the Operating Agency from all funding sources applied for, or expected to be applied for, to offset, in whole or in part, any of the costs incurred by the Operating Agency in conducting current or prospective projects or business activities, including, but not necessarily limited to, the project or business activity which is the subject of this Contract. Such statement shall reflect the name and a description of such business activity, the dollar amount of funding provided, or to be provided, by each and every funding source for each such project or business activity, and the full name and address of each funding source. The Operating Agency shall make available for inspection and audit to the County's representatives, upon request, at any time during the duration of this Contract, and for a period of five (5) years thereafter, all of its books and records relating to the operation of each project or business activity which is funded in whole or in part with all funding sources including the project(s) funded under this Contract, whether or not such monies are received through the County. All such books and records shall be maintained by the Operating Agency at a location in Los Angeles County.

Failure of the Operating Agency to comply with the requirements of this Section of this Contract shall constitute a material breach of this Contract upon which the County may immediately cancel, terminate, or suspend this Contract..

48. CONFLICT OF INTEREST. The Operating Agency, its agents and employees shall comply with all applicable Federal, State and County laws and regulations governing conflict of interest including, but not limited to, 2 CFR Part 200, Subpart B, 200.112, 24 CFR Part 570.611 and 24 CFR Part 85, Section 85.36(b). The Operating Agency agrees to incorporate the language found in this Section 48, CONFLICT OF INTEREST in contracts using CDBG funds and subject to compliance with conflict of interest Federal, State and County laws.

The general rule shall be that no person described in the *Persons covered* section below of this Section 48, CONFLICT OF INTEREST, who exercises, or has exercised any function or responsibilities with respect to CDBG activities, or who is in a position to participate in a decision making process or gain inside information with regards to such activities, may obtain a financial interest or benefit from a CDBG-assisted activity, or have a financial interest in any contract, subcontract, or agreement with respect to a CDBG-assisted activity, or with respect to the proceeds of the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for one year thereafter.

Persons covered – The conflict of interest provisions of this Section 48, CONFLICT OF INTEREST, shall apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the CDBG Operating Agency, or of any designated public agencies, or of any subrecipients that are receiving CDBG funds.

The Operating Agency represents, warrants, and agrees that to the best of its knowledge, it does not presently have, nor will it acquire during the term of this Contract, any interest direct or indirect, by contract, employment or otherwise, or as a partner, joint venture or shareholder (other than as a shareholder holding a one percent (1%) or less interest in publicly traded companies) or affiliate with any business or business entity that has entered into any contract, subcontract, or arrangement with the County or Commission. Upon execution of this Contract and during its term, as appropriate, the Operating Agency shall disclose in writing to the County any other contract or employment during the term of this Contract by any other persons, business, or corporation in which employment will or may likely develop a conflict of interest between the County's and/or Commission's interest and the interests of the third parties.

49. FINANCIAL CLOSE OUT PERIOD. The Operating Agency agrees to comply and complete all necessary financial close out procedures required by the County and, within a period of not more than 60 calendar days from the expiration date of this Contract. This time period will be referred to as the financial close out period. The County is not liable to provide reimbursement for any expenses or costs associated with this Contract after the expiration of the financial close out period. After the expiration of the financial close out period, those funds not paid to the Operating Agency under this Contract, if any, may be immediately reprogrammed by the Operating Agency into other eligible activities. The County may request a final

financial audit for activities performed under this Contract at the expiration of the financial close out period.

50. NONEXPENDABLE PROPERTY. Nonexpendable property means leased or purchased tangible personal property, included, but not limited to a vehicle, office equipment, etc. having a useful life of more than one (1) year and an acquisition cost of \$5,000 or more per unit. Nonexpendable property shall also include, but not limited to real property, and any interest in real property (including any mortgage or other encumbrance of real property).

Any utilization of funds derived from the sale or disposition of nonexpendable property must have prior approval of the County and otherwise comply with all applicable laws and regulations. In the event that the Contract is terminated, the County reserves the right to determine the final disposition of said nonexpendable property acquired for this project with CDBG funds, including funds derived there from. Said disposition may include taking possession of said nonexpendable property.

The Operating Agency shall maintain up-to-date inventory records, listing all non-expendable property with an acquisition cost of \$5,000 or more that it has leased or purchased during the term of this Contract. The following items should be included in the list: description of property, serial or ID number, source of funds that purchased the item, including the Federal Award Identification Number (FAIN), which is B-18-UC-06-0505, owner of property, date of purchase, total cost, percentage of cost paid with CDBG and/or other Federal monies, location, condition and use of property, date of disposal, sale price or method used to determine the current market value name of the individual completing the inventory, and the date the inventory was taken or updated. The Operating Agency shall conduct a physical inventory of the nonexpendable property at least once a year, reconcile the inventory with its property records, and maintain these records for five years (5) after the termination or expiration of this Contract.

In the event there is a change of use or disposition of the property during the term of this Contract, except in the case of real property in excess of \$25,000, if the market value of the property is over \$5,000, the Operating Agency shall immediately pay to the County a pro-rata share of the current market value of the property, or proceeds from the sale. The pro-rata share shall be calculated by multiplying the current market value by the percentage of the purchase price paid with CDBG funds or program income.

If there is a residual inventory of unused supplies, upon termination or completion of the project or termination or expiration of this Contract, with a current aggregate market value exceeding \$5,000 and if the supplies are not needed for any other federally sponsored program(s) or project(s), the Operating Agency shall immediately pay the County for its pro rata share of the current aggregate market value or proceeds from the sale calculated at the percentage of the purchase price paid with

CDBG funds. The Operating Agency shall obtain prior approval of the County and otherwise comply with all applicable laws and regulations prior to utilizing the supplies for any other federally sponsored program(s) or project(s).

51. PURCHASE OR LEASE OF NONEXPENDABLE PROPERTY. The Operating Agency may use its own documented procurement procedures which reflect applicable State and local laws and regulations, provided that procurement procedures conform to applicable Federal law and the standards identified in 2 CFR Part 200, Subpart D 200.318-200.326.

All procurement transactions must be conducted in a manner providing for full and open competition consistent with the standards of 2 CFR Part 200 Section 200.319 and Section 200.320, Methods of Procurement to be followed. Whenever possible, the Operating Agency must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used.

52. USE OF RECYCLED-CONTENT PAPER PRODUCTS. Consistent with the County Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Operating Agency agrees to use recycled-content paper to the maximum extent possible.

53. ARCHITECTURAL BARRIERS ACT AND THE AMERICANS WITH DISABILITIES ACT. The Architectural Barriers Act of 1968 (42 U.S.C. 4151-4157) requires certain Federal and Federally-funded buildings and other facilities to be designed, constructed, or altered in accordance with standards that insure accessibility to, and use by, physically handicapped people. A building or facility designed, constructed, or altered with funds allocated or reallocated under this part after December 11, 1995, and that meets the definition of residential structure as defined in 24 CFR Section 40.2 or the definition of building as defined in 41 CFR Part 101, is subject to the requirements of the Architectural Barriers Act of 1968 (42 U.S.C. 4151-4157) and shall comply with the Uniform Federal Accessibility Standards (Appendix A to 24 CFR Part 40 for residential structures and Appendix A to 41 CFR Parts 101-19 for general type buildings). The Americans with Disabilities Act (42 U.S.C. Section 12131; 47 U.S.C. Sections 155.201, 218 and 225) (ADA) provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, State and local government services, and telecommunications. It further provides that discrimination includes a failure to design and construct facilities for first occupancy after January 26, 1993 that are readily accessible to and usable by individuals with disabilities. Further, the ADA requires the removal of architectural barriers and communication barriers that are structural in nature in existing facilities, where such removal is readily achievable—that is, easily accomplishable and able to be carried out without much difficulty or expense.

54. CONSTRUCTION\REHABILITATION PROJECTS. The Operating Agency shall submit a request to the County, to conduct a Contract and Labor Compliance File Review within 10 days from completion of the construction/rehabilitation activities.

55. CONTRACTOR RESPONSIBILITY AND DEBARMENT. A responsible contractor is a contractor, consultant, vendor, or operating agency who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity, and experience to satisfactorily perform the Contract. It is the policy of the Commission, Housing Authority, and County to conduct business only with responsible contractors.

- a. The Contractor is hereby notified that if the County acquires information concerning the performance of a Contractor on any CDBG contract, which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the Contract, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County, Commission, and/or Housing Authority contracts for a specified period of time, which generally will not exceed five (5) years, but may exceed five (5) years or be permanent if warranted by circumstances, and terminate any or all existing contracts the Contractor may have with the County, Commission, and/or Housing Authority.
- b. The County may debar a contractor, consultant, or vendor, if the Board of Commissioners finds, in its discretion, that the contractor, consultant, or vendor has done any of the following: (1) violated any term of a contract with the Commission, Housing Authority, or County, or a nonprofit corporation created by the Commission, Housing Authority, or County (2) committed any act or omission which negatively reflects on the its quality, fitness, or capacity to perform and abide by a contract with the Commission, Housing Authority, or County or any other public entity, or a nonprofit corporation created by the Commission, Housing Authority, or County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the Commission, Housing Authority, County, or any other public entity.
- c. If there is evidence that a Contractor may be subject to debarment, the County will notify the Contractor in writing of the evidence, which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
- d. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment.

The Contractor and the County shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Commissioners.

- e. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Hearing Board.
- f. If a Contractor has been debarred for a period longer than five (5) years, that Contractor may, after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after the debarment was imposed; or (4) any other reason that is in the best interest of the County.
- g. The Contractor Hearing Board will consider a request for review of the debarment determination only where (1) the Contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the ground for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of the debarment period or termination of the debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.
- h. The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.
- i. These terms shall also apply to subcontractors and sub consultants of County, Commission, or Housing Authority contractors, consultants, vendors and operating agencies.

56. COPELAND “ANTI-KICKBACK” ACT. The Operating Agency shall comply with the Copeland “Anti-Kickback” Act (18 U.S.C. 3145) as supplemented by Department of Labor regulations (29 CFR part 3). These terms shall apply to construction contracts in excess of \$2,000 awarded to the Operating Agency, as well as contracts awarded to subcontractors and consultants.
57. DAVIS-BACON ACT. The Operating Agency shall comply with the prevailing wage requirements of the Davis-Bacon Act as amended, (40 U.S.C. 3141-3148), and as supplemented by the Department of Labor regulations (29 CFR part 5). These terms shall apply to construction contracts in excess of \$2,000 awarded to the Operating Agency, as well as contracts awarded to subcontractors and consultants. The prevailing wage requirements also apply to CDBG funded activities for the rehabilitation of residential property when the project contains eight (8) or more housing units at the construction site.
58. PATENT RIGHTS. The Operating Agency must adhere to Federal requirements and regulations relating to patent rights with respect to any discovery or invention which arises or is developed in the course of or under this contract.
59. OPERATING AGENCY’S WARRANTY OF ADHERENCE TO COUNTY’S CHILD SUPPORT COMPLIANCE PROGRAM. The Operating Agency acknowledges that the County has established a goal of ensuring that all individuals who benefit financially from the County through contract are in compliance with their court-ordered child, family, and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers.

As required by the County’s Child Support Compliance Program (County Code Chapter 2.200) and without limiting the Operating Agency’s duty under this Contract to comply with all applicable provisions of the law, the Operating Agency warrants that it is now in compliance and shall during the term of this Contract maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or District Attorney Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

60. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY’S CHILD SUPPORT COMPLIANCE PROGRAM. Failure of the Operating Agency to maintain compliance with the requirements set forth in Section 59, OPERATING AGENCY’S WARRANTY OF ADHERENCE TO COUNTY’S CHILD SUPPORT COMPLIANCE PROGRAM shall constitute a default by the Operating Agency under this Contract. Without limiting the rights and remedies available to the County under any other provision of this Contract, failure to cure such default within 90 days of notice by the Los Angeles County Child Support Services Department (CSSD) shall be grounds upon which the

Executive Director, or his designee, may terminate this Contract pursuant to Section 45, Termination for Cause.

61. POST MOST WANTED DELINQUENT PARENTS LIST. The Operating Agency acknowledges that the County places a high priority on the enforcement of child support laws and the apprehension of child support evaders. The Operating Agency understands that it is the County's policy to voluntarily post a list entitled L.A's Most Wanted: Delinquent Parents poster in a prominent position at the Operating Agency's place of business. The CSSD will supply the Operating Agency with the poster to be used.

62. EMPLOYEES OF OPERATING AGENCY. *Workers' Compensation:* The Operating Agency understands and agrees that all persons furnishing services to the County pursuant to this Contract are, for the purposes of workers' compensation liability, employees solely of the Operating Agency. The Operating Agency shall bear sole responsibility and liability for providing workers' compensation benefits to any person for injuries arising from an accident connected with services provided to the County under this Contract.

Professional Conduct: The County does not and will not condone any acts, gestures, comments, or conduct from the Operating Agency's employees, agents or subcontractors which may be construed as sexual harassment or any other type of activities or behavior that might be construed as harassment. The County will properly investigate all charges of harassment by residents, employees, or agents of the County against any and all Operating Agency's employees, agents, or subcontractors providing services for the County. The Operating Agency assumes all liability for the actions of the Operating Agency's employees, agents, or subcontractors and is responsible for taking appropriate action after reports of harassment are received by the Operating Agency.

63. NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW. The Operating Agency shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is available on the Internet at www.babysafela.org under the public information link for printing purposes.

64. OPERATING AGENCY'S ACKNOWLEDGMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW. The Operating Agency acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The Operating Agency understands that it is the County's policy to encourage all County Contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster in a prominent position at the Operating Agency's place of business. The Operating Agency will also encourage its Subcontractors, if any, to post this poster in a prominent position in the

Subcontractor's place of business. The poster is available at www.babysafela.org/docs/poster_e.pdf.

65. PHOTOGRAPHS, FOOTAGE, AND OTHER MEDIA MATERIALS. The Operating Agency represents and warrants that all photographs, videos, DVD's, footage, magazines, and other media materials provided to the County are either public record or have been legally procured without invading the copyright, ownership, or privacy rights of any individual. Operating Agency further agrees to defend, hold harmless, and indemnify the County from any and all liability, as described in Section 43, Indemnification, arising from or related to the County's use of said photographs, videos, DVD's, footage, magazines, and other media materials.
66. OPERATING AGENCY'S WARRANTY OF COMPLIANCE WITH THE COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM. The Operating Agency acknowledges that the Commission has established a goal of ensuring that all individuals and businesses that benefit financially from the Commission through contract are current in paying their personal and real property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers. Unless the Operating Agency qualifies for an exemption or exclusion, the Operating Agency warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this Contract will maintain compliance, with the County's Defaulted Tax Program, found at Los Angeles County Ordinance No. 2009-0026 and codified at Los Angeles County Code, Chapter 2.206.
67. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH THE COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM. Failure of the Operating Agency to maintain compliance with the requirements set forth in Section 66, "OPERATING AGENCY'S WARRANTY OF COMPLIANCE WITH THE COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM" shall constitute default under this Contract. Without limiting the rights and remedies available to the Commission under any other provision of this Contract, failure of the Operating Agency to cure such default within ten (10) days of notice shall be grounds upon which Commission may suspend or terminate this contract pursuant to the County's Defaulted Property Tax Reduction Program found at Los Angeles County Ordinance No. 2009-0026 and codified at Los Angeles County Code, Chapter 2.206.
68. COMPLIANCE WITH COUNTY'S ZERO TOLERANCE HUMAN TRAFFICKING. Operating Agency acknowledges that the County has established a Zero Tolerance Trafficking Policy prohibiting the Operating Agency, or subcontractors approved under this contract from engaging in human trafficking.

If the Operating Agency, or a member (s) on the Operating Agency's staff is convicted of a human trafficking offense, the County shall require that the Operating Agency, or member of the Operating Agency's staff be removed immediately from

performing services under this contract. The County will not be under any obligation to disclose confidential information regarding the offenses other than those required by law.

Disqualification of any member of the Operating Agency's staff pursuant to this section shall not relieve the Operating Agency of its obligation to complete all work in accordance with the terms and conditions of this Contract.

69. CLEAN AIR ACT. The Operating Agency must comply with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15). These terms shall apply to construction contracts in excess of \$100,000 awarded to the Operating Agency, as well as contracts awarded to subcontractors and consultants.
70. ENERGY POLICY AND CONSERVATION ACT. The Operating Agency must comply with mandatory standards and policies related to energy efficiency which are contained in the State Energy Conservation Plan issued in compliance with the Energy Policy and Conservation Act (Pub.L.94A 163, Stat.871).
71. ENTIRE CONTRACT. This Contract with attachments and any and all CDBG Bulletins, which the County may issue from time to time following the date of execution, constitute the entire understanding and agreement of the parties.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Contract to be subscribed by the Executive Director of the Community Development Commission, and the Operating Agency has subscribed the same through its duly authorized officers, on the day, month and year first above written.

COUNTY OF LOS ANGELES

«CITY_NAME»
Operating Agency

By: _____
MONIQUE KING-VIEHLAND, Executive Director
Community Development Commission
of the County of Los Angeles

By: _____
Title: _____

APPROVED AS TO FORM:

MARY C. WICKHAM
County Counsel

APPROVED AS TO PROGRAM:

MONIQUE KING-VIEHLAND, Executive Director
Community Development Commission
of the County of Los Angeles

By: _____
Deputy

By: _____
Director, Community Development Division

**COUNTY OF LOS ANGELES
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM REVOLVING GRANT
FUND REIMBURSABLE CONTRACT AMENDMENT WITH PARTICIPATING CITY
AMENDMENT NUMBER 1**

CITY: MANHATTAN BEACH

CONTRACT NUMBER: 70738

THIS AMENDMENT NUMBER 1 TO CONTRACT 70738 is made this «Date» day of «Month», by and between the County of Los Angeles, hereinafter called the "County," acting by and through the Community Development Commission of the County of Los Angeles (Commission) and Manhattan Beach, hereinafter called the "Operating Agency."

WITNESSETH THAT:

WHEREAS, the County and the Participating City previously entered into a Community Development Block Grant Program Reimbursable Contract with Operating Agency, Contract Number 70738 dated «Month and date», and any subsequent amendments; and

WHEREAS, the County, through the Community Development Commission, has established the CDBG Revolving Grant Fund (Grant Fund) to distribute CDBG funds to cities that wish to utilize additional CDBG funds for specific projects; and

WHEREAS, the County and the Operating Agency desire to amend said Contract in order to reflect the transfer of \$198,646 from the Grant Fund, to the Operating Agency; so that the Operating Agency may implement its Installation of Americans With Disabilities Act Compliant Curb Ramps Project (hereinafter Project).

NOW, THEREFORE, in consideration of the mutual undertakings herein, the parties agree that the Contract be amended as follows:

1. Section 5, COMPENSATION AND METHOD OF PAYMENT is amended to show a revised compensation amount of Three Hundred Ten Thousand, One Hundred Thirty-one Dollars (\$310,131). This is an increase of One Hundred Ninety-Eight Thousand Six Hundred Forty-Six Dollars (\$198,646) in the compensation amount.
2. The Operating Agency agrees that the above amount will be reimbursed to the Grant Fund from future annual allocations of CDBG funds received by the Operating Agency until the grant is fully repaid. The amount of Seventy-Five Thousand Dollars (\$75,000) will be set aside for repayment to the Fund will automatically be drawn down by the Commission annually beginning on July 1, 2019, with no further notice to Operating Agency until the Fund amount is repaid. Any remaining balance after the Fund repayment will be available for programming and reimbursement.
3. The Project shall be completed within three (3) years of receipt of Grant Funds.

4. The Operating Agency agrees that it will participate as part of the Los Angeles Urban County CDBG Program until the grant is fully repaid.
5. All other terms and conditions of said Contract shall remain the same.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment No. 1 to be subscribed by the Executive Director of the Community Development Commission, and the Operating Agency has subscribed the same through its duly authorized officers on the day, month, and year first above written.

COUNTY OF LOS ANGELES

CITY OF MANHATTAN BEACH

BY: _____
MONIQUE KING-VIEHLAND
Executive Director
Community Development Commission
of the County of Los Angeles

BY: _____
TITLE: _____

APPROVED AS TO FORM:

APPROVED AS TO PROGRAM:

MARY C. WICKHAM
County Counsel

MONIQUE KING-VIEHLAND
Executive Director
Community Development Commission
of the County of Los Angeles

BY: _____
Deputy

BY: _____
Director, Community Development
Division

**COUNTY OF LOS ANGELES
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
REIMBURSABLE CONTRACT
WITH AN
OTHER PUBLIC AGENCY**

PROJECT TITLE: «Project_Name»

PROJECT NUMBER: «Project_No»

CONTRACT NUMBER: «Contract_No»

THIS CONTRACT is made and entered into this «Day» day of «Month» by and between the County of Los Angeles, hereinafter called the "County," acting by and through the Community Development Commission of the County of Los Angeles (Commission), and «Agency_Name», hereinafter called the "Operating Agency."

WITNESSETH THAT:

WHEREAS, the County has entered into a Contract with the United States of America, through its Department of Housing and Urban Development (HUD), to execute the County's Community Development Block Grant (CDBG) Program, which includes the project described herein, under the Housing and Community Development Act of 1974 ("Act"), as amended; and

WHEREAS, the Operating Agency desires to participate in said CDBG program and is qualified by reason of experience, preparation, organization, staffing and facilities to provide the services and implement the project described herein.

NOW, THEREFORE, in consideration of the mutual covenants herein set forth and the mutual benefits to be derived therefrom, the parties agree as follows:

1. CONTRACT. This Contract consists of this document and attachments: Exhibit A, Project Description and Activity Budget, and Exhibit B, Insurance Requirements.
2. CONTRACT ADMINISTRATION. The Commission, through its Executive Director (Commission), or his designee, shall have full authority to act for the County in the administration of this Contract consistent with the provisions contained herein.
3. SCOPE OF SERVICES. The Operating Agency is to perform all the services set forth in the Exhibit A, Project Description and Activity Budget.
4. TIME OF PERFORMANCE. The Operating Agency shall commence the services described herein on the date first above written, and shall complete same by no later than «EndDate». Construction projects shall be limited to a three year duration, and must be successfully completed within this period, unless the Operating Agency has received prior written approval from the Commission, through its Executive Director, or his designee.

5. COMPENSATION AND METHOD OF PAYMENT. For satisfactory performance under this Contract, County shall reimburse Operating Agency an amount not to exceed «Budget» «**Budget Amount**», which shall constitute full and complete compensation hereunder for the implementation of the project described in Exhibit A. Said reimbursement will only be paid out of funds received from the Federal government under the Act or from program income, as described in 2 CFR Part 200 Section 200.307 and 24 CFR 570.504 accumulated under said program, for allowable costs actually incurred for the express purposes specified. The parties understand and agree that such reimbursement, if any, shall be conditioned upon receipt of said funds by the County from the Federal government or accumulation of program income from said program, and shall not be a charge against any other funds of the County. Funds shall be paid only after submittal of the electronic payment request form. This payment request form must be submitted on a minimum of a monthly basis as specified and provided by the County. Said payment request shall give the total of said cash expenses paid during the monthly reporting period and shall also itemize the same in detail conforming to the budget required by Section 6 of this Contract. After timely receipt and approval of each payment request form, the County will draw a check in favor of the Operating Agency in the approved amount.

The Operating Agency shall have no claim against the County for payment of any money or reimbursement, of any kind whatsoever, for any service provided by the Operating Agency after the expiration or other termination of this Contract. Should the Operating Agency receive any such payment, it shall immediately notify the County and immediately repay all such funds to the County. Payment by the County for services rendered after expiration and/or termination of this Contract shall not constitute a waiver of the County's right to recover such payment from the Operating Agency. This provision shall survive the expiration or other termination of this Contract.

6. BUDGET SECTION. No more than the amounts and expenditure items specified in the Exhibit A, Project Description and Activity Budget, to this Contract, which is attached hereto and incorporated herein by this reference in Section 3, may be spent for the separate cost categories specified in the Exhibit A without written approval of the County.
7. SOURCE AND APPROPRIATION OF FUNDS. The County's obligation is payable only and solely from funds appropriated through HUD and, for the purpose of this Contract. All funds are appropriated every fiscal year beginning July 1. In the event that this Contract extends into succeeding fiscal years and funds have not been appropriated, this Contract will automatically terminate as of June 30 of the current fiscal year. The County will endeavor to notify the Operating Agency in writing within ten (10) days of receipt of the non-appropriation notice.
8. COMPLIANCE WITH LAWS. All parties agree to be bound by all applicable Federal, State, and local laws, ordinances, regulations and directives as they pertain to the performance of this Contract. This Contract is subject to and incorporates the terms of the Act; 24 CFR Part 570; 2 CFR Part 200, Uniform Administrative

Requirements, Cost Principles, and Audit Requirements for Federal Awards; Executive Order 12372; and the County Auditor-Controller Contract Accounting and Administration Handbook; and all amendments or successor laws, regulations or guidelines thereto (hereinafter called the "Laws, Regulations and Guidelines"). The Operating Agency has, and shall maintain, copies of the Laws, Regulations and Guidelines. Furthermore, the Operating Agency acknowledges that it has read and understands the Laws, Regulations, and Guidelines. Furthermore, the Operating Agency acknowledges that it has read and understands the Laws, Regulations and Guidelines.

As required by 2 CFR Part 200 Section 200.414, the Operating Agency may charge an indirect cost rate to this contract that is based on:

- a. The negotiated indirect rate approved by its cognizant agency for the Fiscal Year applicable to this contract; or
- b. If the Operating Agency has never received a negotiated indirect cost rate from a Federal Agency, a de minimis rate of 10% of Modified Total Direct Costs (MTDC) as defined in 2 CFR Part 200.68.

The Catalogue of Federal Domestic Assistance (CFDA) number assigned to the Community Development Block Grant Program is 14.218 and the Federal Award Identification Number (FAIN) assigned to the County for this program is B-18-UC-06-0505. The Federal Award date is effective July 1, 2018, and is authorized upon signature of the designated HUD Official.

The Operating Agency is required by the County to register and maintain an active Unique Entity Identifier (also known as the Data Universal Numbering System (DUNS) number) in order to apply for, receive, implement, and report on a Federally-funded program. Furthermore, the County certifies that it has received and maintains an active Unique Entity Identifier number for each Agency.

The Operating Agency shall comply with applicable uniform administrative requirements and carry out each activity in compliance with all Federal laws and regulations described in 24 CFR Part 570, Subpart J and K, and 2 CFR Part 200 except that:

- a. The Operating Agency does not assume the County environmental responsibilities described in 24 CFR 570.604 and 24 CFR Part 58 1; and
- b. The Operating Agency does not assume the County's responsibility for initiating the review process under Executive Order 12372.

The Operating Agency agrees to be bound by applicable Federal, State, and local laws, regulations and directives as they pertain to the performance of the Contract, including, but not limited to, Sections a-j below. This Contract is subject to and incorporates the terms of the Housing and Community Development Act of 1974,

as amended by the Cranston-Gonzales National Affordable Housing Act, 1990 and the 2 CFR Part 200.

- a. The Operating Agency shall comply with the Civil Rights Act of 1964 Title VI which provides that no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.
- b. The Operating Agency shall comply with Section 109 of the Housing and Community Development Act of 1974 which states that no person in the United States shall, on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded, in whole or in part, with funds made available under this title.
- c. The Operating Agency shall comply with the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, which require that no person in the United States shall be excluded from participating in, denied the benefits of, or subject to discrimination under this Contract on the basis of age or with respect to an otherwise qualified disabled individual.
- d. The Operating Agency shall comply with 24 CFR Part 5, including non-discrimination and equal opportunity requirements at 24 CFR 5.105(a). Furthermore, the Operating Agency shall comply with 24 CFR Parts 5 and 203, which prohibit discrimination in HUD funded programs based upon sexual orientation or gender identity. The rule precludes owners and operators of HUD-assisted housing or housing who's financing is insured by HUD from inquiring about the sexual orientation or gender identity of an applicant or occupant.
- e. The Operating Agency shall ensure equal opportunity in the award and performance of any contract to all persons without regard to race, color, gender, sexual orientation, religion, national origin, ancestry, age, marital status, or disability.
- f. During the performance of this contract, the Operating Agency agrees as follows:
 - i. The Operating Agency shall comply with Executive Order 11246 of September 24, 1965, titled, Equal Employment Opportunity, later amended by Executive Order 11375 of October 13, 1967, and supplemented in the Department of Labor Guidelines (41 CFR Part 60), which require that during the performance of this Contract, the Operating Agency will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Operating Agency will take affirmative action to ensure that applicants are employed, and that employees are treated fairly during employment,

without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: employment, promotion, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Operating Agency agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of the non-discrimination clause.

- ii. The Operating Agency will, in all solicitations or advertisements for employees placed by or on behalf of the Operating Agency, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- iii. The Operating Agency will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency of the Operating Agency's contracting officer, advising the labor union of worker's representative of the Operating Agency's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- iv. The Operating Agency will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- v. The Operating Agency will furnish all information and reports required by the Executive Orders and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the County and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.
- vi. In the event that the Operating Agency fails to comply with the non-discrimination clauses of this Contract or with any of such rules, regulations, or orders, this Contract may be canceled, terminated, or suspended in whole or in part, and the Operating Agency may be declared ineligible for further Government contracts in accordance with procedures authorized in the Executive Orders and such other sanctions may be imposed and remedies invoked as provided in the Executive Orders or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- vii. The Operating Agency will include the provisions of these paragraphs in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of the Executive Order No. 11246 of September 24, 1965, that such

provisions shall be binding upon each subcontractor or vendor. The Operating Agency will take such actions with respect to any subcontract or purchase order as the County may direct as a means of enforcing such provisions including sanctions for noncompliance, provided however, in the event that the Operating Agency becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of such direction by the County, the Operating Agency may request the United States to enter into such litigation to protect the interests of the United States.

- g. The Operating Agency shall comply with Executive Order 13166, titled "Improving Access to Services by Persons with Limited English Proficiency." Executive Order 13166 requires that Federally-assisted agencies make reasonable efforts to provide language assistance to ensure meaningful access for Limited English Proficiency (LEP) persons to the agency's programs and activities. HUD guidelines on LEP were published in the Federal Register on January 22, 2007, and were effective February 21, 2007. These HUD guidelines should be applied to Federally-subsidized housing, programs, and other services which may be contracted out to other contractors.
- h. Should the Operating Agency require additional or replacement personnel after the effective date of this Contract, the Operating Agency shall give consideration for any such employment openings to participants in the County's Department of Public Social Services' Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the Operating Agency's minimum qualifications for the open position. The Operating Agency shall contact the County's GAIN and GROW Programs at (562) 908-6858 for a list of GAIN/GROW participants by job category.
- i. The Operating Agency is prohibited by the Department of Interior and Related Agencies Appropriations Act, known as the Byrd Amendments, and HUD's 24 CFR Part 87, from using Federally-appropriated funds for the purpose of influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contracts, the making of any Federal grant, loan, or cooperative contract, and any extension, continuation, renewal, amendment, or modification of said documents.

Should the Operating Agency or persons/subcontractors acting on behalf of the Contract fail to fully comply with the Federal Lobbyist Requirements, civil penalties shall result.

- j. The Operating Agency and each County lobbyist or County lobbyist firm, as defined in the Los Angeles County Code Chapter 2.160 (County Ordinance 93-0031), retained by the Operating Agency, shall fully comply with the requirements as set forth in said County Code Chapter.

9. LOBBYING CERTIFICATIONS. With regards to the certification for contracts, grants, and loans, the undersigned certify, to the best of their knowledge and belief, that:
- a. The Operating Agency is familiar with the Los Angeles County Code Chapter 2.160 and assures the County that all persons acting on behalf of the Operating Agency will comply with the County Code.
 - b. The Operating Agency is familiar with the Federal Lobbyist Requirements and assures the County that all persons and/or subcontractors acting on behalf of the Operating Agency will comply with the Federal Lobbyist Requirements
 - c. No Federally appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
 - d. If any funds other than Federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, or any employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
 - e. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including sub-contracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

10. TERMINATION FOR FAILURE TO COMPLY WITH FEDERAL AND COUNTY LOBBYIST REQUIREMENTS. Failure on the part of the Operating Agency and/or its Lobbyist(s) to fully comply with said Federal and County Lobbyist Requirements shall constitute a material breach of the Contract upon which the County may immediately terminate this Contract, and the Operating Agency shall be liable for any and all damages incurred by the County and/or any Federal agency as a result of such breach.

11. CONFIDENTIALITY OF REPORTS. The Operating Agency shall keep confidential all reports, information, and data received, prepared, or assembled pursuant to performance hereunder. Such information shall not be made available to any person, firm, corporation, or entity without the prior written consent of the County.
12. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT, AND ACCIDENT PREVENTION. The Operating Agency shall comply with the Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, any contract awarded in excess of \$100,000 that involves the employment of mechanics or laborers must include a provision in compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor Regulations (29 CFR Part 5).

The Operating Agency shall also comply with all applicable Federal, State, and local laws governing safety, health, and sanitation. The Operating Agency shall provide all safeguard, safety devices and protective equipment and take any other needed actions, as its own responsibility, reasonable necessary to protect the life and health of employees on the job; the safety of the public; and personal and real property, in connection with the performance of this Contract.

13. SEVERABILITY. In the event that any provision herein contained is held to be invalid, void, or illegal by any court of competent jurisdiction, the same shall be deemed severable from the remainder of this Contract and shall in no way affect, impair, or invalidate any other provision contained herein. If any such provision shall be deemed invalid due to its scope of breadth, such provision shall be deemed valid to the extent of the scope of breadth permitted by law.
14. INTERPRETATION. No provision of this Contract shall be interpreted for or against either part because that party or that party's legal representative drafted such provision, but this Contract is to be construed as if both parties drafted it hereto.
15. WAIVER. No waiver by the County of any breach of any provision of this Contract shall constitute a waiver of any other breach or of such provision. Failure of the County to enforce at any time, or from time to time, any provision of this Contract shall not be construed as a waiver thereof. The rights and remedies set forth in this section 15 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.
16. PROGRAM EVALUATIONS AND REVIEW. The County will monitor, evaluate, and provide guidance to the Operating Agency in the performance of the CDBG Program. Reviews will focus on the extent to which the planned CDBG Program has been implemented and the measurable goals achieved; effectiveness of program management, and the impact of the program.

The Operating Agency shall make available for inspection to authorized County and HUD personnel and their agents, for five years (5) after termination or expiration of

this Contract, all records including financial, pertaining to its performance under this Contract and allow said County and HUD personnel and agents to inspect and monitor the Operating Agency's facilities and program operations, and interview the Operating Agency staff and program participants, as required by the County and/or HUD.

The Operating Agency agrees to submit all data that are necessary to complete the Consolidated Annual Performance and Evaluation Report (CAPER) and monitor program accountability and progress in accordance with HUD requirements, in the format, and at the time designated by the Executive Director, or his designee.

Failure of the Operating Agency to comply with the requirements of this Section shall constitute a material breach of contract upon which the Commission, through its Executive Director, or his designee, may cancel, terminate or suspend this Contract.

17. REVERSION OF ASSETS. Upon expiration or termination of this Contract, the Operating Agency shall immediately transfer to the County any remaining CDBG funds on hand at the time of expiration or termination and any accounts receivable attributable to the use of CDBG funds. Any real property under the Operating Agency's ownership or possession that was acquired or improved in whole or in part with CDBG funds in excess of \$25,000 shall be either:
- a. Used to meet one of the national objectives in 24 CFR 570.208 for five (5) years following the close-out of the CDBG grant from which assistance to the property was provided after expiration of this Contract (24 CFR 570.503), or such longer period of time as may be specified in the Exhibit A; or
 - b. Disposed of in a manner, that results in the County being reimbursed in the amount of the current market value of the property less any portion thereof attributable to expenditures of non-CDBG funds for acquisition of, or improvement to, the property. Such reimbursement is not required after the period of time and under the conditions specified in subparagraph a. above.

The Operating Agency shall maintain the use of the real property and documentation verifying compliance with the national objective for a period of five (5) years after closeout of this project. The Operating Agency must submit to the County a completed certification form verifying that the real property is used exclusively for the eligible use and purpose as provided in the Exhibit A. This form shall be submitted on an annual basis, when requested, beginning in year two (2) and for a period of five (5) years after closeout of the project. In case of a change of use or disposition, the County must be reimbursed for the current market value of the real property at the time of disposition, or proceeds from the sale, less the pro-rata shares of expenditures made with non-CDBG funds to acquire or improve the real property.

18. PROGRAM INCOME. Program income shall be returned monthly during the duration of this contract. Upon termination of this contract, the County reserves the

right to determine the disposition of any program income, as described in 2 CFR Part 200, Section 200.307 and 24 CFR Part 570.504 accumulated under the project(s) set forth in Exhibit A. Said disposition may include the County taking possession of said program income.

19. **NONEXPENDABLE PROPERTY.** Nonexpendable property means leased and purchased tangible personal property, including, but not limited to, a vehicle, office equipment, etc. having a useful life of more than one (1) year and/or an acquisition cost of \$5,000 or more per unit. Nonexpendable property shall also include, but not be limited to, real property, any interest in real property (including any mortgage or other encumbrance of real property), and funds derived from the sale or disposition of nonexpendable property.

Any utilization of funds derived from the sale or disposition of nonexpendable property must have prior approval of the County and otherwise comply with all applicable laws and regulations. In the event that the Contract is terminated or expires, the County reserves the right to determine the final disposition of said nonexpendable property acquired for this project with CDBG funds, including funds derived there from. Said disposition may include taking possession of said nonexpendable property.

The Operating Agency shall maintain up-to-date inventory records, listing all non-expendable property purchased with an acquisition cost of \$5,000 or more that it has leased or purchased during the term of this Contract. The following items should be included in the list: description of property, serial or ID number, source of funds that purchased the item (including the Federal Award Identification Number (FAIN), which is B-18-UC-06-0505), owner of the property, date of purchase, total cost, percentage of cost paid with CDBG and/or other Federal monies, location, condition and use of property, date of disposal, price or method used to determine the current market value, name of the individual completing the inventory, and the date the inventory was taken or updated. The Operating Agency shall conduct a physical inventory of the nonexpendable property at least once a year, reconcile the inventory with its property records, and maintain these records for five years (5) after the termination or expiration of this Contract.

In the event there is a change of use or disposition of the property during the term of the contract, except in the case of real property in excess of \$25,000, if the market value of the property is over \$5,000, the Operating Agency shall immediately pay to the County a pro-rata share of the current market value of the property, or proceeds from the sale. The pro-rata share shall be calculated by multiplying the current market value by the percentage of the purchase price paid with CDBG funds or program income.

If there is a residual inventory of unused supplies, upon termination or completion of the project or termination or expiration of this Contract, with a current aggregate market value exceeding \$5,000, and if the supplies are not needed for any other Federally-sponsored program(s) or project(s), the Operating Agency shall immediately pay the County for its pro rata share of the current aggregate market

value or proceeds from the sale calculated at the percentage of the purchase price paid with CDBG funds. The Operating Agency shall obtain prior approval of the County and otherwise comply with all applicable laws and regulations prior to utilizing the supplies for any other Federally-sponsored program(s) or project(s).

20. PURCHASE OR LEASE OF NONEXPENDABLE PROPERTY. The Operating Agency may use its own documented procurement procedures which reflect applicable State and local laws and regulations, provided that procurement procedures conform to applicable Federal law and the standards identified in 2 CFR Part 200, Subpart D 200.318-200.326.

All procurement transactions must be conducted in a manner providing for full and open competition consistent with the standards of 2 CFR Part 200 Section 200.319 and Section 200.320, Methods of Procurement to be followed. The Operating Agency must purchase or lease from the lowest, responsive, and responsible bidder. Whenever possible, the Operating Agency must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used.

21. ACCOUNTING. The Operating Agency must establish and maintain on a current basis an adequate accounting system in accordance with generally accepted accounting principles and standards, and the County Auditor-Controller Contract Accounting and Administration Handbook. Regardless of the Operating Agency's method of accounting, expenses must be reported in accordance with Sections 5 and 46 of this Contract.

22. CHANGES. The County may, from time to time, request changes hereunder, including the scope of services of the Operating Agency. Such changes, including any increase or decrease in the amount of the Operating Agency's compensation, which are agreed upon by and between the County and the Operating Agency, shall be incorporated into this Contract by written amendments. Any changes by HUD to the regulations or requirements governing the Operating Agency's performance hereunder need not be incorporated by written amendment and will be binding for the Operating Agency upon notification by the County.

23. CHANGES IN GRANT ALLOCATION. The County reserves the right to reduce the grant allocation when the County's fiscal monitoring indicates that the Operating Agency's rate of expenditure will result in unspent funds at the end of the program year. Changes in the grant allocation will be made after consultation with the Operating Agency. Such changes shall be incorporated into this Contract by written amendments.

24. CITIZEN PARTICIPATION. All program data necessary to provide reports to citizens will be made available by the Operating Agency. Discussions will be held often enough so that the Operating Agency will be adequately apprised of citizen recommendations during the course of the program. Operating Agency representatives shall be available to respond to questions and receive

recommendations at local meetings when so requested by the Executive Director, or his designee.

25. REVENUE DISCLOSURE REQUIREMENT. Upon request, the Operating Agency shall file with the County a written statement listing all revenue received, or expected to be received, by the Operating Agency from all funding sources applied for, or expected to be applied for, to offset, in whole or in part, any of the costs incurred by the Operating Agency in conducting current or prospective projects or business activities, including, but not necessarily limited to, the project or business activity which is the subject of this Contract. Such statement shall reflect the name and a description of such business activity, the dollar amount of funding provided, or to be provided, by each and every funding source for each such project or business activity, and the full name and address of each funding source. The Operating Agency shall make available for inspection and audit to the County's representatives, upon request, at any time during the duration of this Contract, and for a period of five (5) years thereafter, all of its books and records relating to the operation of each project or business activity which is funded in whole or in part with all funding sources-including the project(s) funded under this Contract, whether or not such monies are received through the County. All such books and records shall be maintained by the Operating Agency at a location in Los Angeles County.

Failure of the Operating Agency to comply with the requirements of this Section 25 of this Contract shall constitute a material breach of contract upon which the County may immediately cancel, terminate or suspend this Contract through its Executive Director.

26. JOINT FUNDING. For projects in which there are sources of funds in addition to CDBG funds, the Operating Agency may be required to provide proof of such other funding. The County shall not pay for any costs incurred by the Operating Agency, which are paid with other funds. All restrictions and/or requirements provided for in this Contract, relative to accounting, budgeting, and reporting, apply to the total project regardless of funding sources. Separate financial records shall be kept for each funding source and program.
27. ASSURANCES. The Operating Agency hereby assures and certifies that it has complied with the Act, applicable regulations, policies, guidelines and requirements, 2 CFR Part 200, and that it will comply with all applicable Federal, State, and local laws and regulations as they relate to acceptance and use of Federal funds for this program. Also, the Operating Agency gives assurance and certifies with respect to the project specified in Exhibit A, that it will comply with all of the provisions of 24 CFR 570.303 and all other laws and regulations, which pertain to assurances of program applicants. Furthermore, the Operating Agency gives assurance and certifies that it will comply with provisions of 41 CFR Part 60-1.4 and 24 CFR Part 135, each of which is incorporated herein by this reference. Operating Agency further assures and certifies that it will comply with any further amendments or changes to said required assurances and certifications and that,

during the term of this Contract, it will maintain current copies of said assurances and certifications at the address specified below.

28. NOTICES. All notices shall be served in writing. The notices to the Operating Agency shall be sent to the following address:

«Agency_Name»
«Street_Address»
«City», CA «Zip»

Notices, reports and statements to the County shall be personally delivered or sent via First Class U. S. mail to the Executive Director, or his designee, at:

Community Development Commission of the County of Los Angeles
Community Development Division – Grants Management Unit
700 W. Main Street
Alhambra, California 91801

Each party shall promptly notify the other of any change in its mailing address.

29. ASSIGNMENT. The Operating Agency may not assign any portion of this Contract without the express written consent of the County. Any attempt by Operating Agency to assign any performance of the terms of this Contract shall be null and void and shall constitute a material breach of this Contract, upon which the County may immediately terminate this Contract through the Executive Director, or his designee.
30. SUBCONTRACTING. The requirements of this Contract may not be subcontracted by the Operating Agency without compliance of procurement standards and methods as outlined in 24 CFR, 200, Subpart D, Sections 200.318-200.326. Any attempt by the Operating Agency to subcontract without adherence to Federal regulations as required by the County may be deemed a material breach of this Contract.

If the Operating Agency desires to subcontract, the Operating Agency shall provide the following information promptly at the County's request:

- A description of the work to be performed by the subcontractor;
- A draft copy of the proposed subcontract; and
- Other pertinent information and/or certifications requested by the County.

The Operating Agency shall indemnify and hold the County harmless with respect to the activities of each and every subcontractor in the same manner and to the same degree as if such Subcontractor(s) were the Operating Agency's employees.

The Operating Agency shall remain fully responsible for all performances required of it under this Contract, including those that the Operating Agency has determined to subcontract, notwithstanding the County's approval of the Operating Agency's proposed subcontract.

The Operating Agency shall address administrative, contractual, or legal remedies for all contracts in instances where subcontractors violate or breach contract terms. The Operating Agency must provide sanctions and penalties as appropriate.

The County's consent to subcontract shall not waive the County's right to prior and continuing approval of any and all personnel, including subcontractor employees, providing services under this Contract. The Operating Agency is responsible to notify its subcontractors of this County right.

The Commission's Executive Director, or his designee, is authorized to act for and on behalf of the County with respect to approval of any subcontract and subcontractor employees. After approval of the subcontract by the Commission, the Operating Agency shall forward a fully executed subcontract to the County for their files.

The Operating Agency shall be solely liable and responsible for all payments or other compensation to all subcontractors and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding the County's consent to subcontract.

The Operating Agency shall obtain and maintain on site certificates of insurance, which establish that the subcontractor maintains all the programs of insurance required by the County from each approved subcontractor. The County may request copies of the certificates and endorsements required herein at any time. Failure by the Operating Agency to comply with the County's request may be deemed by the County as a material breach of this contract.

31. NOTICE OF FEDERAL EARNED INCOME CREDIT. Operating Agency shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the Federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015.
32. FISCAL LIMITATIONS. The United States of America, through HUD, may in the future place programmatic or fiscal limitation(s) on CDBG funding. Accordingly, the County reserves the right, in its sole discretion, to revise this Contract in order to take into account actions and events affecting CDBG program funding. In the event of a CDBG funding reduction by HUD, the County may, in its sole discretion, reduce the compensation amount of this Contract in whole or in part, or may limit the rate of the Operating Agency's use of both its uncommitted and its unspent funds. The Commission, through its Executive Director, or his designee, may act for the County in implementing and effecting such a reduction in the compensation amount of this Contract.

Where the Commission, through its Executive Director, or his designee, has reasonable grounds to question the fiscal accountability, financial soundness, or compliance with this Contract of the Operating Agency, the Commission, through its Executive Director, or his designee, may suspend this Contract for up to 60 days, upon three (3) days-notice to the Operating Agency, pending an audit or other resolution of such questions. In no event, however, shall a revision made by the County affect expenditures and legally binding commitments made by the Operating Agency before it received notice of such revision, provided that such amounts have been committed in good faith and are otherwise allowable, that such commitments are consistent with HUD cash withdrawal guidelines, and that CDBG funds are available to the County to satisfy such expenditures or legally binding commitments.

33. USE OF FUNDS FOR ENTERTAINMENT, MEALS OR GIFTS. The Operating Agency certifies and agrees that it will not use funds provided through this Contract to pay for entertainment, meals or gifts.
34. CONFLICT OF INTEREST. The Operating Agency, its agents and employees shall comply with all applicable Federal, State and County laws and regulations governing conflict of interest including, but not limited to, 2 CFR Part 200, Section 200.112 and 24 CFR Part 570.611. The Operating Agency agrees to incorporate the language found in this Section 34, CONFLICT OF INTEREST, in contracts using CDBG funds and subject to compliance with conflict of interest Federal, State, and County laws.

The general rule shall be that no person described in the *Persons covered* section below of this Section 34, CONFLICT OF INTEREST, who exercises, or has exercised any function or responsibilities with respect to CDBG activities, or who is in a position to participate in a decision making process or gain inside information with regards to such activities, may obtain a financial interest or benefit from a CDBG-assisted activity, or have a financial interest in any contract, subcontract, or agreement with respect to a CDBG-assisted activity, or with respect to the proceeds of the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for one (1) year thereafter.

Persons covered – The conflict of interest provisions of this Section 34, CONFLICT OF INTEREST, shall apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the CDBG Operating Agency, or of any designated public agencies, or of any subrecipients that are receiving CDBG funds.

The Operating Agency represents, warrants, and agrees that to the best of its knowledge, it does not presently have, nor will it acquire during the term of this Contract, any interest direct or indirect, by contract, employment, or otherwise, or as a partner, joint venture, or shareholder (other than as a shareholder holding a one (1%) percent or less interest in publicly traded companies) or affiliate with any business or business entity that has entered into any contract, subcontract, or arrangement with the County or Commission. Upon execution of this Contract and

during its term, as appropriate, the Operating Agency shall disclose in writing to the County any other contract or employment during the term of this Contract by any other persons, business, or corporation in which employment will or may likely develop a conflict of interest between the County's and/or Commission's interest and the interests of the third parties.

35. BUDGET MODIFICATIONS. The Executive Director, or his designee, who shall be a Division Director or higher, may grant budget modifications to this Contract for the movement of funds between the budget categories identified in the Exhibit A, when such modifications:
- a. Are specifically requested by the Operating Agency;
 - b. Will not change the project goals or scope of services;
 - c. Are in the best interest of the County and the Operating Agency in performing the scope of services under this Contract;
 - d. Do not alter the total amount of compensation under this Contract; and
 - e. Are in writing prior to expenditures being made.
36. TIME OF PERFORMANCE MODIFICATIONS. The Executive Director, or his designee, who shall be a Division Director or higher, may grant time of performance modifications to this Contract when such modifications:
- a. Are specifically requested by the Operating Agency;
 - b. Will not change the project goals or scope of services;
 - c. Are in the best interest of the County and the Operating Agency in performing the scope of services under this Contract;
 - d. Do not alter the total amount of compensation under this Contract; and
 - e. Are in writing prior to expenditures being made.
37. AUDIT EXCEPTIONS. The Operating Agency agrees that in the event the program established hereunder is subject to audit exceptions by appropriate audit agencies, it shall be responsible for complying with such exceptions and paying the County the full amount of County's liability to the funding agency resulting from such audit exceptions.
38. AUDITS. The Operating Agency's program will be audited in accordance with the County's policy and funding source guidelines. Audits may also be conducted by Federal, State, or local funding source agencies. The County or its authorized representatives shall, at all times during the term of this Contract, and for a period of five (5) years thereafter, have access, for the purpose of audit or inspection, to any and all books, documents, papers, records, property, and premises of the Operating Agency. The Operating Agency's staff will cooperate fully with authorized auditors when they conduct audits and examinations of the Operating Agency's program. A financial audit of the Operating Agency's performance under this Contract shall be conducted at the County's discretion. If indications of misappropriation or misapplication of the funds of this Contract cause the County to require a special audit, the cost of the audit will be encumbered and deducted from this Contract's budget.

Failure of the Operating Agency to comply with the requirements of this Section shall constitute a material breach of contract upon which the Executive Director, or his designee may cancel, terminate, or suspend this Contract.

39. INDEPENDENT CONTRACTOR. Both parties hereto in the performance of this Contract will be acting in an independent capacity and not as agents, employees, partners, joint ventures or associates of one another. The employees or agents of one party shall not be deemed or construed to be the agents or employees of the other party for any purpose whatsoever, including workers' compensation liability. The Operating Agency shall bear the sole responsibility and liability for furnishing workers' compensation benefits to any person for injuries arising from or connected with services performed on behalf of the Operating Agency pursuant to this Contract.
40. AMENDMENTS/VARIATIONS. This writing, with attachments, embodies the whole of the agreement of the parties hereto. No oral agreements shall be binding upon the parties unless expressly stated herein. Except as provided herein, any addition to or variation of the terms of this Contract shall not be valid unless made in the form of a written amendment of this Contract formally approved and executed by both parties. All Amendments must be received by the County not less than 60 calendar days from the expiration date of this Contract.
41. ACQUISITION OF SUPPLIES AND EQUIPMENT. Following approval by the County for necessary supplies and equipment for Contract performance, the Operating Agency may purchase from a related agency/organization only if: (a) prior authorization is obtained in writing from the County, (b) no more than maximum prices or charges are made and no more than minimum specifications are met, as provided in writing by the County, (c) a community-related benefit is derived from such Operating Agency-related acquisition, and (d) no conflict of interest for private gain accrues to the Operating Agency or its employees, agents or officers.
42. MONITORING AND EVALUATION. The County will monitor, evaluate and provide guidance to the Operating Agency in the performance of this Contract. Authorized representatives of the County and HUD shall have the right of access to all activities and facilities operated by the Operating Agency under this Contract. Facilities include all files, records, and other documents related to the performance of this Contract. Activities include attendance at staff, board of directors, advisory committee, and advisory board meetings, and observation of ongoing program functions. The Operating Agency will ensure the cooperation of its staff and board members in such efforts. The Executive Director, or his designee, may conduct program progress reviews. These reviews will focus on the extent to which the planned program has been implemented and measurable goals achieved, effectiveness of program management, and impact of the program.

Failure of The Operating Agency to comply with the requirements of this Section shall constitute a material breach of contract upon which the Executive Director, or his designee, may cancel, terminate, or suspend this Contract.

43. INSURANCE. The Executive Director hereby authorizes the Commission's Risk Manager to determine the requirements of the insurance policy to be procured and maintained by the Operating Agency with respect to its activities and obligations hereunder. Without limiting The Operating Agency's indemnification requirements as set forth in Section 45 below, the Operating Agency shall provide and maintain at its own expense during the term of this Contract, a program of insurance satisfactory to the Commission's Risk Manager covering its operations hereunder, as specifically defined in Exhibit B to this Contract, a copy of which is attached hereto and incorporated herein by this reference.
44. FAILURE TO PROCURE INSURANCE. Failure on the part of the Operating Agency to procure or maintain required insurance (pursuant to Exhibit B) shall constitute a material breach of contract under which County may immediately suspend or terminate this Contract or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith. All monies so paid by the County shall be repaid by the Operating Agency to County upon demand or the County may offset the cost of the premiums against any monies due to the Operating Agency from the County.
45. INDEMNIFICATION. The Operating Agency ("Indemnitor") shall indemnify, defend and hold harmless the Community Development Commission of the County of Los Angeles, Housing Authority of the County of Los Angeles, the County of Los Angeles, and each of their elected and appointed officers, officials, representatives, employees, successors, assigns, predecessors, lenders, accountants, attorneys, and agents (each an "Indemnitee") from and against any and all liability, demands, damages, claims, causes of action, judgments, awards, expenses, and fees (including reasonable attorneys', experts' and consultants' fees) including, but not limited to, claims for bodily injury, property damage, loss of income, pain and suffering, emotional and psychological distress, and death, that arises from, pertains to, or relates to (whether in whole or in part) the acts, errors, or omissions of Indemnitor, Indemnitor's agent(s), representative(s), employee(s), or any third party with whom Indemnitor directly contracts with (or for whom Indemnitor is otherwise legally responsible for) in connection with the performance of Indemnitor's obligations under this Contract (collectively, the "Indemnified Liabilities"). If Indemnitor is a "design professional" within the meaning of *Civil Code* § 2782.8, Indemnitor shall only be required to indemnify and defend Indemnitee to the extent that the claims arise from, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Indemnitor. Notwithstanding anything to the contrary, Indemnitor shall only be required to indemnify a particular Indemnitee to the extent that the Indemnified Liabilities was not caused by the sole negligence, active negligence or willful misconduct of that Indemnitee. Indemnitor agrees to require each and every third party with whom Indemnitor directly contracts with (or for whom Indemnitor is otherwise legally responsible for) to be considered an additional "Indemnitor" under this provision and to separately agree to indemnify,

defend, and hold harmless each Indemnitee for the work, materials, and services provided by that third party as required under this provision. The parties intend for this provision to not violate any applicable laws (including *Civil Code* §§ 2782 *et. seq.*) and, to the fullest extent permitted by law, this provision shall be interpreted in such a manner. In the event of a conflict between this provision and any other provision in this Contract or any other contract between Indemnitor and Indemnitee, this provision shall govern. This provision shall survive the termination or expiration of the Contract and will continue to remain in full force and effect for ten years from substantial completion of Indemnitor's services, work, or provision of materials, or until all applicable statutes of limitations for the Indemnified Liabilities have expired, whichever is longer.

46. FINANCIAL CLOSE OUT PERIOD. The Operating Agency agrees to complete all necessary financial close out procedures required by the County, within a period of not more than 60 calendar days from the expiration date of this Contract. This time period will be referred to as the financial close out period. The County is not liable to provide reimbursement for any expenses or costs associated with this Contract after the expiration of the financial close out period. After the expiration of the financial close out period, those funds not paid to the Operating Agency under this Contract, if any, may be immediately reprogrammed by the County into other eligible activities in the County. The County may request a final financial audit for activities performed under this Contract at the expiration of the financial close out period.
47. NEPOTISM. The Operating Agency shall not hire nor permit the hiring of any person to fill a position funded through this Contract if a member of that person's immediate family is employed in an administrative capacity by the Operating Agency, unless this action is approved by the Operating Agency's governing body and waived by the County. For the purpose of this section, the term "immediate family" means spouse, child, mother, father, brother, sister, brother-in-law, sister-in-law, father-in-law, mother-in-law, son-in-law, daughter-in-law, aunt, uncle, niece, nephew, stepparent, and stepchild. The term "administrative capacity" means having selection, hiring, supervisory, or management responsibilities, including serving on the governing body of the Operating Agency.
48. RELIGIOUS AND POLITICAL ACTIVITIES. The Operating Agency agrees that funds under this Contract will be used exclusively for performance of the work required under this Contract, and that no funds made available under this Contract shall be used to promote religious or political activities. Further, The Operating Agency agrees that it will not perform, nor permit to be performed, any religious or political activities in connection with the performance of this Contract.
49. USE OF FUNDS. All funds approved under this Contract shall be used solely for costs approved in the program budget for this Contract. Contract funds shall not be used as a cash advancement between contracts, as security to guarantee payments for any non-program obligations, or as loans for non-program activities. Separate financial records shall be kept for each funding source.

50. REPORTS AND RECORDS. The Operating Agency agrees to prepare and submit financial, program progress, monitoring, evaluation and other reports as required by the County. Program progress reports shall be submitted as required, in the form specified by the Commission, through its Executive Director, or his designee. The Operating Agency shall maintain, and permit on-site inspections of such property, personnel, financial and other records and accounts as are considered necessary by the County to assure proper accounting for all Contract funds during the term of this Contract and for a period of five (5) years thereafter. The Operating Agency will ensure that its employees and board members furnish such information which, in the judgment of County representatives, may be relevant to a question of compliance with contractual conditions, with County or granting agency directives, or with the effectiveness, legality, and achievements of the program.
51. EXPENDITURES. Expenditures made by the Operating Agency in the operation of this Contract shall be in strict compliance and conformity with the Budget set forth in Exhibit A, unless prior written approval for an exception is obtained from the Commission, through its Executive Director, or his designee.
52. CERTIFICATION PROHIBITING USE OF EXCESSIVE FORCE. In accordance with Section 519 of Public Law 101-144, the undersigned certifies, to the best of his or her knowledge and belief that it has adopted and is enforcing:
- a. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
 - b. A policy of compliance with applicable Federal, State, and local laws against individuals physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction;
53. DRUG-FREE WORKPLACE. The Operating Agency agrees to provide a drug-free workplace by:
- a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Operating Agency's workplace and specifying the actions that will be taken against employees for violation of such prohibition.
 - b. Establishing an ongoing drug-free awareness program to inform employees about:
 - ii. The dangers of drug abuse in the workplace;
 - ii. The Operating Agency's policy of maintaining a drug-free workplace;
 - iii. Any available drug counseling, rehabilitation, and employee assistance programs; and

- iv. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
- c.. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by subparagraph a. of this Section 53.
- d. Notifying the employee in the statement required by paragraph a. of this Section 53 that, as a condition of employment under the grant, the employee will:
 - i. Abide by the terms of the statement; and
 - ii. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five (5) calendar days after such conviction;
- e. Notifying the County in writing, within ten (10) calendar days after receiving notice under subparagraph (d.) (ii), from an employee or otherwise receiving actual notice of such a conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- f. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d.) (ii), with respect to any employee who is so convicted -
 - i. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - ii. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
- g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of subparagraphs a, b, c, d, e and f.

54. RESIDENTIAL ANTIDISPLACEMENT AND RELOCATION ASSISTANCE PLAN. Section 104(d) of the Housing and Community Development Act of 1974, also known as the Barney Frank Amendment, requires relocation assistance for displaced low-income families and requires one-for-one replacement of low/moderate income dwelling units that are demolished or converted to other use. When CDBG funds are used in a project, including financing for rehabilitation, or

project delivery costs, Section 104(d) is triggered. CDBG Regulations further describe the requirements under 24 CFR Section 570.606 Displacement, Relocation, Acquisition, and Replacement of Housing.

The Operating Agency must adopt and make public a Residential Antidisplacement and Relocation Assistance Plan as part of its administrative requirements to HUD. Before the Operating Agency enters into a contract committing it to provide funds for any activity that will directly result in the demolition, or conversion to another use, of low/moderate-income dwelling units, it must make public and submit to HUD the information as described in Sections 24 CFR 570.457; 570.456 (a); 570.606 (c); and 570.702 (f).

55. PROPERTY MAINTENANCE STANDARDS. The Operating Agency providing services under Contract to the County must ensure that sufficient property maintenance ("property maintenance standards") shall be provided to the facility where services are being provided. Property maintenance includes removal of trash and debris, graffiti abatement, landscaping, and physical appearance acceptable to the County.
56. TERMINATION FOR IMPROPER CONSIDERATION (GRATUITIES). The County may, by written notice to the Operating Agency, immediately terminate the right of the Operating Agency to proceed under this Contract if it is found that improper consideration, in any form, was offered or given by the Operating Agency, either directly or through an intermediary, to any County officer, employee, or agent with the intent of securing the Contract or securing favorable treatment with respect to the award, amendment, or extension of the Contract or the making of any determinations with respect to the Operating Agency's performance pursuant to the Contract. In the event of such termination, the County shall be entitled to pursue the same remedies against the Operating Agency as it could pursue in the event of default by the Operating Agency.

The Operating Agency shall immediately report any attempt by the County officer or employee to solicit such improper consideration. The Report shall be made to the Executive Director or the County Auditor-Controller's Employee Fraud Hotline (800) 544-6861.

57. OPERATING AGENCY'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM. The Operating Agency acknowledges that the County has established a goal of ensuring that all individuals who benefit financially from the County through contract are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers.

As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the Operating Agency's duty under this Contract to comply with all applicable provisions of the law, the Operating Agency warrants that it is now in compliance and shall during the term of this Contract maintain compliance with employment and wage reporting requirements as required

by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or District Attorney Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

58. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM. Failure of the Operating Agency to maintain compliance with the requirements set forth in Section 57, OPERATING AGENCY'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM shall constitute a default by the Operating Agency under this Contract. Without limiting the rights and remedies available to the County under any other provision of this Contract, failure to cure such default within 90 days of notice by the Los Angeles County Child Support Services Department (CSSD) shall be grounds upon which the Executive Director, or his designee, may terminate this Contract pursuant to Section 62, Termination for Cause.
59. POST MOST WANTED DELINQUENT PARENTS LIST. The Operating Agency acknowledges that the County places a high priority on the enforcement of child support laws and the apprehension of child support evaders. The Operating Agency understands that it is the County's policy to voluntarily post a list entitled "L.A's Most Wanted: Delinquent Parents" poster in a prominent position at the Operating Agency's place of business. The CSSD will supply the Operating Agency with the poster to be used.
60. COUNTY'S QUALITY ASSURANCE PLAN. The County will evaluate the Operating Agency's performance under this Contract on not less than an annual basis. Such evaluation will include assessing the Operating Agency's compliance with all contract terms and performance standards. The Operating Agency's deficiencies, which the County determines are severe or continuing and that may place performance of the Contract in jeopardy, if not corrected will be reported to the Board of Supervisors. The report will include improvement/corrective action measures taken by the County and the Operating Agency. If improvement does not occur consistent with the corrective measure, the County may terminate this Contract, pursuant to Section 61 or 62, or impose other penalties as specified in this Contract.
61. TERMINATION FOR CONVENIENCE. The County reserves the right to cancel this Contract for any reason at all upon 30 days' prior written notice to the Operating Agency. In the event of such termination, the Operating Agency shall be entitled to a prorated portion paid for all satisfactory work unless such termination is made for cause, in which event, compensation if any, shall be adjusted in such termination.

If the County exercises its rights under Section 32, Fiscal Limitations, the Operating Agency shall have the right to terminate this Contract for convenience with 30 days' advance written notice under this Section 61.

62. TERMINATION FOR CAUSE. This Contract may be terminated by the County upon written notice to the Operating Agency for just cause (failure to perform satisfactorily) with no penalties incurred by the County upon termination or upon the occurrence of any of the following events in a, b, c, d, or e:
- a. Should the Operating Agency fail to perform all or any portion of the work required to be performed hereunder in a timely and good workmanlike manner or properly carry out the provisions of the Contract in their true intent and meaning, then in such case, notice thereof in writing will be served upon the Operating Agency, and should the Operating Agency neglect or refuse to provide a means for satisfactory compliance with this Contract and with the direction of the County within the time specified in such notice, the County shall have the power to suspend or terminate the operations of the Operating Agency in whole or in part;
 - b. Should the Operating Agency fail within five (5) days to perform in a satisfactory manner, in accordance with the provisions of the Contract, or if the work to be done under said Contract is abandoned for more than three (3) days by the Operating Agency, then notice of deficiency thereof in writing will be served upon The Operating Agency by the County;
 - c. Should the Operating Agency fail to comply with the terms of said Contract within five (5) days, upon receipt of said written notice of deficiency, the Commission, through its Executive Director, or his designee shall have the power to suspend or terminate the operations of the Operating Agency in whole or in part;
 - d. In the event that a petition of bankruptcy shall be filed by or against the Operating Agency; or
 - e. If, through any cause, the Operating Agency shall fail to fulfill in timely and proper manner the obligations under this Contract, or if the Operating Agency shall violate any of the covenants, Contracts, or stipulations of this Contract, the County shall thereupon have the right to terminate this Contract by giving written notice to the Operating Agency of such termination and specifying the effective date thereof, at least five (5) days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports prepared by the Operating Agency or under this Contract shall, at the option of the County become its property and the Operating Agency shall be entitled to receive just and equitable compensation for any work satisfactorily completed.
63. ARCHITECTURAL BARRIERS ACT AND THE AMERICANS WITH DISABILITIES ACT. The Architectural Barriers Act of 1968 (42 U.S.C. 4151-4157) requires certain Federal and Federally-funded buildings and other facilities to be designed, constructed, or altered in accordance with standards that insure accessibility to, and use by, physically handicapped people. A building or facility

designed, constructed, or altered with funds allocated or reallocated under this part after December 11, 1995, and that meets the definition of residential structure as defined in 24 CFR 40.2 or the definition of building as defined in 41 CFR Part 101, is subject to the requirements of the Architectural Barriers Act of 1968 (42 U.S.C. 4151-4157) and shall comply with the Uniform Federal Accessibility Standards (Appendix A to 24 CFR part 40 for residential structures, and Appendix A to 41 CFR Part 101-19, Subpart 101-19.6, for general type buildings). The Americans with Disabilities Act (42 U.S.C. 12131; 47 U.S.C. 155.201, 218 and 225) (ADA) provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, State and local government services, and telecommunications. It further provides that discrimination includes a failure to design and construct facilities for first occupancy after January 26, 1993 that are readily accessible to and usable by individuals with disabilities. Further, the ADA requires the removal of architectural barriers and communication barriers that are structural in nature in existing facilities, where such removal is readily achievable, easily accomplishable and able to be carried out without much difficulty or expense.

64. USE OF RECYCLED-CONTENT PAPER PRODUCTS. Consistent with the County Board of Supervisors' policy to reduce the amount of solid waste deposited at County landfills, the Operating Agency agrees to use recycled-content paper to the maximum extent possible.

65. EMPLOYEES OF OPERATING AGENCY. *Workers' Compensation:* Operating Agency understands and agrees that all persons furnishing services to the County pursuant to this Contract are, for the purposes of workers' compensation liability, employees solely of the Operating Agency. The Operating Agency shall bear sole responsibility and liability for providing workers' compensation benefits to any person for injuries arising from an accident connected with services provided to the County under this Contract.

Professional Conduct: The County does not and will not condone any acts, gestures, comments or conduct from the Operating Agency's employees, agents or subcontractors which may be construed as sexual harassment or any other type of activities or behavior that might be construed as harassment. The County will properly investigate all charges of harassment by residents, employees or agents of the County against any and all The Operating Agency's employees, agents or subcontractors providing services for the County. The Operating Agency assumes all liability for the actions of the Operating Agency's employees, agents or subcontractors and is responsible for taking appropriate action after reports of harassment are received by the Operating Agency.

66. CONTRACTOR RESPONSIBILITY AND DEBARMENT. A responsible contractor is a contractor, consultant, vendor, or operating agency who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the policy of the Commission, Housing Authority, and County to conduct business only with responsible contractors.

- a. The Operating Agency is hereby notified that if the County acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the contract, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County, Commission, and/or Housing Authority contracts for a specified period of time, which generally will not to exceed five (5) years but may exceed five (5) years or be permanent if warranted by circumstances, and terminate any or all existing contracts the Contractor may have with the County, Commission, and/or Housing Authority.
- b. The County may debar a contractor, consultant, vendor or operating agency if the Board of Commissioners finds, in its discretion, that the contractor, consultant, vendor, or operating agency has done any of the following: (1) violated any term of a contract with the Commission, Housing Authority, or County, or a nonprofit corporation created by the Commission, Housing Authority, or County (2) committed any act or omission which negatively reflects on the its quality, fitness or capacity to perform a contract with the Commission, Housing Authority, or County or any other public entity, or a nonprofit corporation created by the Commission, Housing Authority, or County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the Commission, Housing Authority, County, or any other public entity.
- c. If there is evidence that the Contractor may be subject to debarment, the County will notify the Contractor in writing of the evidence, which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
- d. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the County shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Commissioners.
- e. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision and any other recommendation of the Contract Hearing Board shall be presented to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the Hearing Board.
- f. If a Contractor has been debarred for a period longer than five (5) years, that Contractor may, after the debarment has been in effect for at least five (5)

years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the County.

- g. The Contractor Hearing Board will consider a request for review of the debarment determination only where (1) the Contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the ground for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment Hearing.
 - h. The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the Contractor Hearing Board.
 - i. These terms shall also apply to subcontractors and subconsultants of County, Commission, or Housing Authority contractors, consultants, vendors and operating agencies.
67. COPELAND "ANTI-KICKBACK" ACT. The Operating Agency shall comply with the Copeland "Anti-Kickback" Act (18 U.S.C. 874) as supplemented by Department of Labor regulations (29 CFR part3). These terms shall apply to construction contracts in excess of \$2,000 awarded to the Operating Agency, as well as contracts awarded to subcontractors and consultants
68. DAVIS-BACON ACT. The Operating Agency shall comply with the prevailing wage requirements of the Davis-Bacon Act as amended, (40 U.S.C. 3141-3148) and as supplemented by the Department of Labor regulations (29 CFR part 5). These terms shall apply to construction contracts in excess of \$2,000 awarded to the Operating Agency, as well as contracts awarded to subcontractors and consultants. The prevailing wage requirements also apply to CDBG funded activities for the rehabilitation of residential property when the project contains eight (8) or more housing units at the construction site.

69. SECTION 3. In order to comply with the Housing and Urban Development Act of 1968, the Operating Agency and, where applicable, its contractor(s) and subcontractor(s) shall comply with Section 3 regulations as described in 24 CFR Part 135. Section 3 compliance activities of the Operating Agency and its contractor(s) and subcontractor(s) shall be guided by the Construction Compliance Guidelines, as amended, which can be made available to the Operating Agency for inspection and copying upon request, if the Operating Agency does not already possess a copy.
- a. The work to be performed under this Contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low-and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

Section 3 covered assistance and thresholds apply to the following HUD assistance:

- i. Housing and Community Development assistance – Section 3 applies to training, employment, contracting, and other economic opportunities arising in connection with the expenditure of housing assistance (including Section 8 assistance, including other housing assistance not administered by the U.S. Assistant Secretary of housing); community development assistance that is used for housing rehabilitation (including abatement of lead based paint hazards, but excluding routine maintenance, repair and replacement; and other public construction); housing construction; and other public construction.

The threshold for Section 3 covered housing and community development assistance is \$200,000 or more. This threshold applies to recipients of housing and community development program assistance for Section 3 covered programs. The requirements of this section also apply to contractors and subcontractors performing work on Section 3 covered project(s) for which the amount of the assistance exceeds \$200,000, and the contract or subcontract exceeds \$100,000. If a recipient receives Section 3 covered housing or community development assistance in excess of \$200,000, but no contract exceeds \$100,000, then the Section 3 preference requirements apply only to the recipient.

Applicability of Section 3 to an entire project or activity funded with Section 3 assistance. The requirements of this section apply to an entire project or activity that is funded with Section 3 covered assistance, regardless of whether the activity is fully or partially funded with Section 3 covered assistance.

- b. The parties to this Contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this Contract, the parties to this Contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- c. The Operating Agency agrees to send to each labor organization or representative of workers with which the Contractor has a collective bargaining Contract or other understanding, if any, a notice advising the labor organization or workers' representative of the Operating Agency's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- d. The Operating Agency agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The Operating Agency will not subcontract with any subcontractor where the Operating Agency has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
- e. The Operating Agency will certify that any vacant employment positions, including training positions, that are filled (1) after the Operating Agency is selected but before the Contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the Operating Agency's obligations under 24 CFR Part 135.
- f. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this Contract for default, and debarment or suspension from future HUD assisted contracts.
- g. With respect to work performed in connection with Section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this Contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this Contract that are subject to the provisions of Section 3 and section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

70. CONSTRUCTION/REHABILITATION PROJECTS. The Operating Agency shall submit a request to the County, to conduct a Contract and Labor Compliance File Review within 10 days from the anticipated completion of construction/rehabilitation activities
71. PATENT RIGHTS. The Operating Agency must adhere to Federal requirements and regulations relating to patent rights with respect to any discovery or invention which arises or is developed in the course of or under this contract.
72. DISALLOWED COSTS. If the Operating Agency has failed to return unexpended funds or funds spent for disallowed costs related to any CDBG Contract it has with the County, County may withhold and offset payments to be made to Operating Agency under this Contract.
73. PHOTOGRAPHS, FOOTAGE, AND OTHER MEDIA MATERIALS. The Operating Agency represents and warrants that all photographs, videos, DVD's, footage, magazines, and other media materials provided to the County are either public record or have been legally procured without invading the copyright, ownership, or privacy rights of any individual. The Operating Agency further agrees to defend, hold harmless, and indemnify the County from any and all liability, as described in Section 45, Indemnification, arising from or related to County's use of said photographs, videos, DVD's, footage, magazines, and other media materials.
74. OPERATING AGENCY'S ACKNOWLEDGMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW. The Operating Agency acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The Operating Agency understands that it is the County's policy to encourage all County Contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. The Operating Agency will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. This poster is available at www.babysafela.org/docs/poster_e.pdf.
75. NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW. The Operating agency shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is available at www.babysafela.org for printing purposes.
76. OPERATING AGENCY'S WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM. The Operating Agency acknowledges that the Commission has established a goal of ensuring that all individuals and businesses that benefit financially from the Commission through contract are current in paying their personal and real property tax obligations

(secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers. Unless the Operating Agency qualifies for an exemption or exclusion, the Operating Agency warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this Contract will maintain compliance, with the County's Defaulted Tax Program, found at Los Angeles County Ordinance No. 2009-0026 and codified at Los Angeles County Code, Chapter 2.206.

77. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM. Failure of the Operating Agency to maintain compliance with the requirements set forth in Section 76, "OPERATING AGENCY'S WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM" shall constitute default under this Contract. Without limiting the rights and remedies available to the Commission under any other provision of this Contract, failure of the Operating Agency to cure such default within 10 days of notice shall be grounds upon which Commission may suspend or terminate this contract pursuant to the County's Defaulted Property Tax Reduction Program found at Los Angeles County Ordinance No. 2009-0026 and codified at Los Angeles County Code, Chapter 2.206.

78. COMPLIANCE WITH COUNTY'S ZERO TOLERANCE HUMAN TRAFFICKING. Operating Agency acknowledges that the County has established a Zero Tolerance Trafficking Policy prohibiting the Operating Agency, or subcontractors approved under this contract from engaging in human trafficking.

If the Operating Agency, or a member (s) on the Operating Agency's staff is convicted of a human trafficking offense, the County shall require that the Operating Agency, or member of the Operating Agency's staff be removed immediately from performing services under this contract. The County will not be under any obligation to disclose confidential information regarding the offenses other than those required by law.

Disqualification of any member of the Operating Agency's staff pursuant to this section shall not relieve the Operating Agency of its obligation to complete all work in accordance with the terms and conditions of this Contract.

79. CLEAN AIR ACT. The Operating Agency must comply with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15). These terms shall apply to construction contracts in excess of \$100,000 awarded to the Operating Agency, as well as contracts awarded to subcontractors and subconsultants.
80. ENERGY POLICY AND CONSERVATION ACT. The Operating Agency must comply with mandatory standards and policies related to energy efficiency which

are contained in the State Energy Conservation Plan issued in compliance with the Energy Policy and Conservation Act (Pub.L.94A 163, Stat.871).

81. WARRANTY OF AUTHORITY. The undersigned signatory for the Operating Agency covenants, warrants and guarantees that he/she is empowered and authorized to sign this Contract on behalf of the Operating Agency in accordance with the terms and conditions stated herein.
82. ENTIRE CONTRACT. This Contract with attachments and any and all CDBG-GMU Bulletins, which the County may issue from time to time following the date of execution, constitute the entire understanding and agreement of the parties.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Contract to be subscribed by the Executive Director of the Community Development Commission, and the Operating Agency has subscribed the same through its duly authorized officers, on the day, month and year first above written.

COUNTY OF LOS ANGELES

«AGENCY_NAME»
Operating Agency

By: _____
MONIQUE KING-VIEHLAND, Executive Director
Community Development Commission
of the County of Los Angeles

By: _____
Title: _____

APPROVED AS TO FORM:

MARY C. WICKHAM
County Counsel

APPROVED AS TO PROGRAM:

MONIQUE KING-VIEHLAND, Executive Director
Community Development Commission
of the County of Los Angeles

By: _____
Deputy

By: _____
Director, Community Development Division

**COUNTY OF LOS ANGELES
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
REIMBURSABLE CONTRACT
WITH A
COMMUNITY-BASED ORGANIZATION**

PROJECT TITLE: «Project_Name»

PROJECT NUMBER: «Project_No»

CONTRACT NUMBER: «Contract_No»

THIS CONTRACT is made and entered into this «Day» day of «Month», by and between the County of Los Angeles, hereinafter called the "County," acting by and through the Community Development Commission of the County of Los Angeles (Commission), and «Agency_Name», hereinafter called the "Operating Agency."

WITNESSETH THAT:

WHEREAS, the County has entered into a Contract with the United States of America, through its Department of Housing and Urban Development (HUD), to execute the County's Community Development Block Grant (CDBG) Program, which includes the project described herein, under the Housing and Community Development Act of 1974 (Act), as amended; and

WHEREAS, the Operating Agency desires to participate in said CDBG program and is qualified by reason of experience, preparation, organization, staffing and facilities to provide the services and implement the project described herein.

NOW, THEREFORE, in consideration of the mutual covenants herein set forth and the mutual benefits to be derived therefrom, the parties agree as follows:

1. CONTRACT. This Contract consists of this document and attachments: Exhibit A, Project Description and Activity Budget, Exhibit B, Insurance Requirements, and Exhibit C, Charitable Contributions Certification.
2. CONTRACT ADMINISTRATION. The Commission, through its Executive Director, or his designee, shall have full authority to act for the County in the administration of this Contract consistent with the provisions contained herein.
3. SCOPE OF SERVICES. The Operating Agency is to perform all the services set forth in the Exhibit A, Project Description and Activity Budget.
4. TIME OF PERFORMANCE. The Operating Agency shall commence the services described herein on the date first above written and shall complete same by no later than «EndDate». Construction projects shall be limited to a three-year duration, and must be successfully completed within this period, unless the Operating Agency has received prior written approval from the Commission, through its Executive Director, or his designee.

5. COMPENSATION AND METHOD OF PAYMENT. For satisfactory performance under this Contract, the County shall reimburse the Operating Agency an amount not to exceed «Budget» «**Budget_Amount**», which shall constitute full and complete compensation hereunder for the implementation of the project described in Exhibit A. Said reimbursement will only be paid out of funds received from the federal government under the Act or from program income, as described in 2 CFR 200 Section 200.307 and 24 CFR Section 570.504 accumulated under said program, for allowable costs actually incurred and paid for the express purposes specified. The parties understand and agree that such reimbursement, if any, shall be conditioned upon receipt of said funds by the County from the federal government or accumulation of program income from said program, and shall not be a charge against any other funds of the County. Funds shall be paid only after submittal of the electronic payment request form. This payment request form must be submitted on a minimum of a monthly basis as specified and provided by the County. Said payment request shall give the total of said cash expenses paid during the monthly reporting period and shall also itemize the same in detail conforming to the budget required by Section 6 of this Contract. After timely receipt and approval of each payment request form, the County will draw a check in favor of the Operating Agency in the approved amount.

The Operating Agency shall have no claim against the County or Commission for payment of any money or reimbursement, of any kind whatsoever, for any service provided by the Operating Agency after the expiration or other termination of this Contract. Should the Operating Agency receive any such payment, it shall immediately notify the County and immediately repay all such funds to the County. Payment by the County for services rendered after expiration and/or termination of this Contract shall not constitute a waiver of the County's right to recover such payment from the Operating Agency. This provision shall survive the expiration or other termination of this Contract.

6. BUDGET SECTION. No more than the amounts and expenditure items specified in the Exhibit A, Project Description and Activity Budget, to this Contract, which is attached hereto and incorporated herein by this reference in Section 3, may be spent for the separate cost categories specified in the Exhibit A without written approval of the County.
7. SOURCE AND APPROPRIATION OF FUNDS. The County's obligation is payable only and solely from funds appropriated through HUD, and for the purpose of this Contract. All funds are appropriated every fiscal year beginning July 1. In the event that this Contract extends into succeeding fiscal years and funds have not been appropriated, this Contract will automatically terminate as of June 30 of the current fiscal year. The County will endeavor to notify the Operating Agency in writing within ten (10) days of receipt of the non-appropriation notice.
8. COMPLIANCE WITH LAWS. All parties agree to be bound by all applicable Federal, State, and local laws, ordinances, regulations, and directives as they pertain to the performance of this Contract. This Contract is subject to and incorporates the terms of the Act; 24 CFR Part 570; 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Executive Order 12372; the County Auditor-Controller Contract Accounting and Administration Handbook; and all amendments or successor laws, regulations, or guidelines thereto (hereinafter called the

"Laws, Regulations and Guidelines"). The Operating Agency has, and shall maintain, copies of the Laws, Regulations and Guidelines. Furthermore, the Operating Agency acknowledges that it has read and understands the Laws, Regulations and Guidelines.

As required by 2 CFR Part 200 Section 200.414, the Operating Agency may charge an indirect cost rate to this contract that is based on:

- a. The negotiated indirect rate approved by its cognizant agency for the Fiscal Year applicable to this contract; or
- b. If the Operating Agency has never received a negotiated indirect cost rate from a Federal Agency, a de minimis rate of 10% of Modified Total Direct Costs (MTDC) as defined in 2 CFR Part 200.68.

The Catalog of Federal Domestic Assistance (CFDA) number assigned to the Community Development Block Grant Program is 14.218. and the Federal Award Identification Number (FAIN) assigned to the County for this program is B-18-UC-06-0505. The Federal Award date is effective July 1, 2018, and is authorized upon signature of the designated HUD Official.

The Operating Agency is required by the County to register and maintain an active Unique Entity Identifier (also known as the Data Universal Numbering System (DUNS) number) in order to apply for, receive, implement, and report on a Federally-funded program. Furthermore, the County certifies that it has received and maintains an active Unique Entity Identifier number for each Agency.

The Operating Agency shall comply with all applicable uniform administrative requirements. The Operating Agency shall carry out each activity in compliance with all applicable Federal laws and regulations described in 24 CFR Part 570, Subparts J and K and 2 CFR Part 200, except that:

- a. The Operating Agency does not assume the County environmental responsibilities described in 24 CFR 570.604 and 24 CFR Part 58.1; and
- b. The Operating Agency does not assume the County's responsibility for initiating the review process under Executive Order 12372.

The Operating Agency agrees to be bound by applicable Federal, State, and local laws, regulations, and directives as they pertain to the performance of the Contract, including, but not limited to, Sections a-k below. This Contract is subject to and incorporates the terms of the Housing and Community Development Act of 1974, as amended by the Cranston-Gonzales National Affordable Housing Act, 1990 and 2 CFR Part 200.

- a. The Operating Agency shall comply with the Civil Rights Act of 1964 Title VI which provides that no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

- b. The Operating Agency shall comply with Section 109 of the Housing and Community Development Act of 1974 which states that no person in the United States shall, on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded, in whole or in part, with funds made available under this title.
- c. The Operating Agency shall comply with the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, which require that no person in the United States shall be excluded from participating in, denied the benefits of, or subject to discrimination under this Contract on the basis of age or with respect to an otherwise qualified disabled individual.
- d. The Operating Agency shall comply with 24 CFR Part 5, including non-discrimination and equal opportunity requirements at 24 CFR 5.105(a). Furthermore, the Operating Agency shall comply with 24 CFR Parts 5 and 203, which prohibit discrimination in HUD funded programs based upon sexual orientation or gender identity. The rule precludes owners and operators of HUD-assisted housing or housing who's financing is insured by HUD from inquiring about the sexual orientation or gender identity of an applicant or occupant.
- e. The Operating Agency shall ensure equal opportunity in the award and performance of any contract to all persons without regard to race, color, gender, sexual orientation, religion, national origin, ancestry, age, marital status, or disability.
- f. During the performance of this Contract, the Operating Agency agrees as follows:
 - i. The Operating Agency shall comply with Executive Order 11246 of September 24, 1965, titled, Equal Employment Opportunity, later amended by Executive Order 11375 of October 13, 1967, and supplemented in the Department of Labor Guidelines (41 CFR Part 60), which require that during the performance of this Contract, the Operating Agency will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Operating Agency will take affirmative action to ensure that applicants are employed, and that employees are treated fairly during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment, promotion, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Operating Agency agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of the non-discrimination clause.
 - ii. The Operating Agency will, in all solicitations or advertisements for employees placed by or on behalf of the Operating Agency, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

- iii. The Operating Agency will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency of the Operating Agency's contracting officer, advising the labor union or worker's representative of the Operating Agency's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- iv. The Operating Agency will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- v. The Operating Agency will furnish all information and reports required by the Executive Orders and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the County and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.
- vi. In the event that the Operating Agency fails to comply with the non-discrimination clauses of this Contract or with any of such rules, regulations, or orders, this Contract may be canceled, terminated, or suspended in whole or in part, and the Operating Agency may be declared ineligible for further Government contracts in accordance with procedures authorized in the Executive Orders and such other sanctions may be imposed and remedies invoked as provided in the Executive Orders or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- vii. The Operating Agency will include the provisions of these paragraphs in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of the Executive Order No. 11246 of September 24, 1965, that such provisions shall be binding upon each subcontractor or vendor. The Operating Agency will take such actions with respect to any subcontract or purchase order as the County may direct as a means of enforcing such provisions including sanctions for noncompliance, provided, however, in the event that the Operating Agency becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of such direction by the County, the Operating Agency may request the United States to enter into such litigation to protect the interests of the United States.
- g. The Operating Agency shall comply with Executive Order 13166, titled "Improving Access to Services by Persons with Limited English Proficiency." Executive Order 13166 requires that Federally-assisted agencies make reasonable efforts to provide language assistance to ensure meaningful access for Limited English Proficiency (LEP) persons to the agency's programs and activities. HUD guidelines on LEP were published in the Federal Register on January 22, 2007, and were effective February 21, 2007. These HUD guidelines should be applied to federally-subsidized housing, programs, and other services which may be contracted out to other contractors.

- h. Should the Operating Agency require additional or replacement personnel after the effective date of this Contract, the Operating Agency shall give consideration for any such employment openings to participants in the County's Department of Public Social Services' Greater Avenues for Independence (GAIN) Program, or General Relief Opportunity For Work (GROW) Program who meet the Operating Agency's minimum qualifications for the open position. The Operating Agency shall contact the County's GAIN and GROW Programs at (562) 908-6858 for a list of GAIN/GROW participants by job category.
- i. The Operating Agency is prohibited by the Department of Interior and Related Agencies Appropriations Act, known as the Byrd Amendments, and HUD's 24 CFR Part 87, from using Federally-appropriated funds for the purpose of influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contracts, the making of any Federal grant, loan, or cooperative contract, and any extension, continuation, renewal, amendment, or modification of said documents.

Should the Operating Agency or persons/subcontractors acting on behalf of the Contract fail to fully comply with the Federal Lobbyist Requirements, civil penalties may result.

- j The Operating Agency and each County lobbyist or County lobbyist firm, as defined in the Los Angeles County Code Chapter 2.160 (County Ordinance 93-0031), retained by the Operating Agency, shall fully comply with the requirements as set forth in said County Code Chapter.
 - k. The Supervision of Trustees and Fundraisers For Charitable Purposes Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB1262, Chapter 919) increased the Charitable Purposes Act requirements. By requiring subrecipients to complete the "Charitable Contributions Certification" form attached hereto as Exhibit C, the County seeks to ensure that all non-profit agencies that contract with the County and receive or raise charitable contributions comply with California law in order to protect the County and its taxpayers. A subrecipient that receives or raises charitable contributions without complying with its obligation under California law commits a material breach, upon which the County may immediately terminate this Contract, and the Operating Agency shall be liable for any and all damages incurred by the County and/or any Federal agency as a result of such breach.
9. LOBBYING CERTIFICATIONS. With regards to the certification for contracts, grants, and loans, the undersigned certify, to the best of their knowledge and belief, that:
- a. The Operating Agency is familiar with the Los Angeles County Code Chapter 2.160 and assures the County that all persons acting on behalf of the Operating Agency will comply with the County Code.

- b. The Operating Agency is familiar with the Federal Lobbyist Requirements and assures the county that all persons and/or subcontractors acting on behalf of the Operating Agency will comply with the Federal Lobbyist Requirements.
- c. No Federally-appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- d. If any funds other than Federally-appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, or any employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- e. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including sub-contracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

- 10. TERMINATION FOR FAILURE TO COMPLY WITH FEDERAL AND COUNTY LOBBYIST REQUIREMENTS. Failure on the part of the Operating Agency and/or its Lobbyist(s) to fully comply with said Federal and County Lobbyist Requirements shall constitute a material breach of the Contract upon which the County may immediately terminate this Contract, and the Operating Agency shall be liable for any and all damages incurred by the County and/or any Federal agency as a result of such breach
- 11. CONFIDENTIALITY OF REPORTS. The Operating Agency shall keep confidential all reports, information, and data received, prepared, or assembled pursuant to performance hereunder. Such information shall not be made available to any person, firm, corporation, or entity without the prior written consent of the County.
- 12. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT AND ACCIDENT PREVENTION. The Operating Agency shall comply with the Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable,

any contract awarded in excess of \$100,000 that involves the employment of mechanics or laborers must include a provision in compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor Regulations (29 CFR Part 5).

The Operating Agency shall also comply with all applicable Federal, State, and local laws governing safety, health, and sanitation. The Operating Agency shall provide all safeguard safety devices and protective equipment and take any other needed actions, as its own responsibility, as reasonably necessary to protect the life and health of employees on the job, the safety of the public and personal and real property in connection with the performance of this Contract.

13. SEVERABILITY. In the event that any provision herein contained is held to be invalid, void, or illegal by any court of competent jurisdiction, the same shall be deemed severable from the remainder of this Contract and shall in no way affect, impair or invalidate any other provision contained herein. If any such provision shall be deemed invalid due to its scope of breadth, such provision shall be deemed valid to the extent of the scope of breadth permitted by law.
14. INTERPRETATION. No provision of this Contract shall be interpreted for or against either party because that party or that party's legal representative drafted such provision, but this Contract is to be construed as if both parties drafted it hereto.
15. WAIVER. No waiver by the County of any breach of any provision of this Contract shall constitute a waiver of any other breach or of such provision. Failure of the County to enforce at any time, or from time to time, any provision of this Contract shall not be construed as a waiver thereof. The rights and remedies set forth in this section 15 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.
16. PROGRAM EVALUATIONS AND REVIEW. The County will monitor, evaluate and provide guidance to the Operating Agency in the performance of the CDBG Program. Reviews will focus on the extent to which the planned CDBG Program has been implemented and the measurable goals achieved, effectiveness of program management, and the impact of the program.

The Operating Agency shall make available for inspection to authorized County and HUD personnel and their agents, for five years (5) after the termination or expiration of this Contract, all records, including financial, pertaining to its performance under this Contract and allow said County and HUD personnel and agents to inspect and monitor the Operating Agency's facilities and program operations, and interview the Operating Agency's staff and program participants, as required by the County and/or HUD.

The Operating Agency agrees to submit all data that are necessary to complete the Consolidated Annual Performance and Evaluation Report (CAPER) and monitor program accountability and progress in accordance with HUD requirements, in the format and at the time designated by the Executive Director, or his designee.

Failure of the Operating Agency to comply with the requirements of this Section shall constitute a material breach of contract upon which the Commission, through its Executive Director, or his designee, may cancel, terminate or suspend this Contract.

17. REVERSION OF ASSETS. Upon expiration or termination of this Contract, the Operating Agency shall immediately transfer to the County any remaining CDBG funds on hand at the time of expiration or termination and any accounts receivable attributable to the use of CDBG funds. Any real property under the Operating Agency's ownership or possession that was acquired or improved in whole or in part with CDBG funds, in excess of \$25,000, shall be either:
- a. Used to meet one of the national objectives in 24 CFR Section 570.208 for five (5) years following the close-out of the CDBG project from which assistance to the property was provided after expiration of this Contract (24 CFR Section 570.503), or such longer period of time as may be specified in the Exhibit A; or
 - b. Disposed of in a manner, that results in the County being reimbursed in the amount of the current market value of the property less any portion thereof attributable to expenditures of non-CDBG funds for acquisition of, or improvement to, the property. Such reimbursement is not required after the period of time and under the conditions specified in subparagraph a. above.

The Operating Agency shall maintain the use of the real property and documentation verifying compliance with the national objective for a period of five (5) years after closeout of this project. The Operating Agency must submit to the County a completed certification form verifying that the property is used exclusively for the eligible use and purpose as provided in the Exhibit A. This form shall be submitted on an annual basis, when requested, beginning in year two (2) and for a period of five (5) years after closeout of the project. In case of a change of use or disposition, the County must be reimbursed for the current market value of the property at the time of disposition, or proceeds from the sale, less the pro rata share of expenditures made with non-CDBG funds to acquire or improve the property.

18. PROGRAM INCOME. Program income shall be returned monthly during the duration of this Contract. Upon termination of this Contract, the County reserves the right to determine the final disposition of any program income, as described in 2 CFR Part 200, Subpart D 200.307 and 24 CFR Section 570.504 accumulated under the project(s) set forth in Exhibit A. Said disposition may include the County taking possession of said program income.
19. NONEXPENDABLE PROPERTY. Nonexpendable property means leased or purchased tangible personal property, including, but not limited to, a vehicle, office equipment, etc. having a useful life of more than one (1) year and an acquisition cost of \$5,000 or more per unit. Nonexpendable property shall also include, but not be limited to, real property, any interest in real property (including any mortgage or other encumbrance of real property), and funds derived from the sale or disposition of nonexpendable property.

Any utilization of funds derived from the sale or disposition of nonexpendable property must have prior approval of the County and otherwise comply with all applicable laws and regulations. In the event that the Contract is terminated or expires, the County reserves the right to determine the final disposition of said nonexpendable property acquired for this project with CDBG funds, including funds derived there from. Said disposition may include taking possession of said nonexpendable property.

The Operating Agency shall maintain up-to-date inventory records, listing all non-expendable property purchased with an acquisition cost of \$5,000 or more that it has leased or purchased during the term of this Contract. The following items should be included in the list: description of property, serial or ID number, source of funds that purchased the item, including the Federal Award Identification Number (FAIN), which is B-18-UC-06-0505, owner of the property, date of purchase, total cost, percentage of cost paid with CDBG and/or other Federal monies, location, condition and use of property, date of disposal, sale price or method used to determine the current market value, name of the individual completing the inventory, and the date the inventory was taken or updated. The Operating Agency shall conduct a physical inventory of the nonexpendable property at least once a year, reconcile the inventory with its property records, and maintain these records for five years (5) after the termination or expiration of this Contract.

In the event there is a change of use or disposition of the property during the term of the contract, except in the case of real property in excess of \$25,000, if the market value of the property is over \$5,000, the Operating Agency shall immediately pay to the County a pro-rata share of the current market value of the property, or proceeds from the sale. The pro-rata share shall be calculated by multiplying the current market value by the percentage of the purchase price paid with CDBG funds or program income.

If there is a residual inventory of unused supplies, upon termination or completion of the project or termination or expiration of this Contract, with a current aggregate market value exceeding \$5,000, and if the supplies are not needed for any other Federally sponsored program(s) or project(s), the Operating Agency shall immediately pay the County for its pro rata share of the current aggregate market value or proceeds from the sale calculated at the percentage of the purchase price paid with CDBG funds. The Operating Agency shall obtain prior approval of the County and otherwise comply with all applicable laws and regulations prior to utilizing the supplies for any other Federally-sponsored program(s) or project(s).

20. PURCHASE OR LEASE OF NONEXPENDABLE PROPERTY. The Operating Agency may use its own documented procurement procedures which reflect applicable State and local laws and regulations, provided that the procurement procedures conform to applicable Federal law and the standards identified in 2 CFR Part 200, Subpart D 200.318-200.326.

All procurement transactions must be conducted in a manner providing for full and open competition consistent with the standards of 2 CFR Part 200 Section 200.319

and Section 200.320, Methods of Procurement to be followed. The Operating Agency must purchase or lease from the lowest, responsive, and responsible bidder. Whenever possible, the Operating Agency must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used.

21. ACCOUNTING. The Operating Agency must establish and maintain on a current basis an adequate accounting system in accordance with generally accepted accounting principles and standards, and the County Auditor-Controller Contract Accounting and Administration Handbook. Regardless of the Operating Agency's method of accounting, expenses must be reported in accordance with Sections 5 and 46 of this Contract.
22. CHANGES. The County may, from time to time, request changes hereunder, including the scope of services of the Operating Agency. Such changes, including any increase or decrease in the amount of the Operating Agency's compensation, which are agreed upon by and between the County and the Operating Agency, shall be incorporated into this Contract by written amendments. Any changes by HUD to the regulations or requirements governing the Operating Agency's performance hereunder need not be incorporated by written amendment and will be binding for the Operating Agency upon notification by the County.
23. CHANGES IN GRANT ALLOCATION. The County reserves the right to reduce the grant allocation when the County's fiscal monitoring indicates that the Operating Agency's rate of expenditure will result in unspent funds at the end of the program year. Changes in the grant allocation will be made after consultation with the Operating Agency. Such changes shall be incorporated into this Contract by written amendments.
24. CITIZEN PARTICIPATION. All program data necessary to provide reports to citizens will be made available by the Operating Agency. Discussions will be held often enough so that the Operating Agency will be adequately apprised of citizen recommendations during the course of the program. The Operating Agency representatives shall be available to respond to questions and receive recommendations at local meetings when so requested by the Executive Director, or his designee.
25. REVENUE DISCLOSURE REQUIREMENT. Upon request, the Operating Agency shall file with the County a written statement listing all revenue received, or expected to be received, by the Operating Agency from all funding sources applied for, or expected to be applied for, to offset, in whole or in part, any of the costs incurred by the Operating Agency in conducting current or prospective projects or business activities, including, but not necessarily limited to, the project or business activity which is the subject of this Contract. Such statement shall reflect the name and a description of such business activity, the dollar amount of funding provided, or to be provided, by each and every funding source for each such project or business activity, and the full name and address of each funding source. The Operating Agency shall make available for inspection and audit to the County's representatives, upon request,

at any time during the duration of this Contract, and for a period of five (5) years thereafter, all of its books and records relating to the operation of each project or business activity which is funded in whole or in part with all funding sources including the project(s) funded under this Contract, whether or not such monies are received through the County. All such books and records shall be maintained by the Operating Agency at a location in Los Angeles County.

Failure of the Operating Agency to comply with the requirements of this Section 25 of this Contract shall constitute a material breach of contract upon which the County may immediately cancel, terminate or suspend this Contract through its Executive Director.

26. JOINT FUNDING. For projects in which there are sources of funds in addition to CDBG funds, the Operating Agency may be required to provide proof of such other funding. The County shall not pay for any costs incurred by the Operating Agency, which are paid with other funds. All restrictions and/or requirements provided for in this Contract, relative to accounting, budgeting and reporting, apply to the total project regardless of funding sources. Separate financial records shall be kept for each funding source and program.
27. ASSURANCES. The Operating Agency hereby assures and certifies that it has complied with the Act, applicable regulations, policies, guidelines and requirements, 2 CFR Part 200, and that it will comply with all applicable Federal, State, and local laws and regulations as they relate to acceptance and use of Federal funds for this program. Also, the Operating Agency gives assurance and certifies with respect to the project specified in Exhibit A, that it will comply with all of the provisions of 24 CFR Section 570.303 and all other laws and regulations which pertain to assurances of program applicants. Furthermore, the Operating Agency gives assurance and certifies that it will comply with provisions of 41 CFR Part 60-1.4 and 24 CFR Part 135, each of which is incorporated herein by this reference. Operating Agency further assures and certifies that it will comply with any further amendments or changes to said required assurances and certifications and that, during the term of this Contract, it will maintain current copies of said assurances and certifications at the address specified below.
28. NOTICES. All notices shall be served in writing. The notices to the Operating Agency shall be sent to the following address:

«Agency_Name»
«Street_Address»
«City», «State» «Zip»

Notices, reports and statements to the County shall be personally delivered or sent via First Class U.S. mail to the Executive Director, or his designee, at:

Community Development Commission of the County of Los Angeles
Community Development Division-Grants Management Unit
700 W. Main Street
Alhambra, California 91801

Each party shall promptly notify the other of any change in its mailing address.

29. ASSIGNMENT. The Operating Agency may not assign any portion of this Contract without the express written consent of the County. Any attempt by the Operating Agency to assign any performance of the terms of this Contract shall be null and void and shall constitute a material breach of this Contract, upon which the County may immediately terminate this Contract through the Executive Director, or his designee.
30. SUBCONTRACTING. The requirements of this Contract may not be subcontracted by the Operating Agency without compliance of procurement standards and methods as outlined in 2 CFR Par 200, Subpart D Sections 200.318-200.326. Any attempt by the Operating Agency to subcontract without adherence to Federal regulations as required by the County may be deemed a material breach of this Contract.

If the Operating Agency desires to subcontract, the Operating Agency shall provide the following information promptly at the County's request:

- A description of the work to be performed by the subcontractor;
- A draft copy of the proposed subcontract; and
- Other pertinent information and/or certifications requested by the County.

The Operating Agency shall indemnify and hold the County harmless with respect to the activities of each and every subcontractor in the same manner and to the same degree as if such Subcontractor(s) were the Operating Agency's employees.

The Operating Agency shall remain fully responsible for all performances required of it under this Contract, including those that the Operating Agency has determined to subcontract, notwithstanding the County's approval of the Operating Agency's proposed subcontract.

The Operating Agency shall address administrative, contractual, or legal remedies for all contracts in instances where subcontractors violate or breach contract terms. The Operating Agency must provide sanctions and penalties as appropriate.

The County's consent to subcontract shall not waive the County's right to prior and continuing approval of any and all personnel, including subcontractor employees, providing services under this Contract. The Operating Agency is responsible to notify its subcontractors of this County right.

The Commission's Executive Director, or his designee, is authorized to act for and on behalf of the County with respect to approval of any subcontract and subcontractor employees. After approval of the subcontract by the Commission, the Operating Agency shall forward a fully executed subcontract to the County for their files.

The Operating Agency shall be solely liable and responsible for all payments or other compensation to all subcontractors and their officers, employees, agents, and successors in

interest arising through services performed hereunder, notwithstanding the County's consent to subcontract.

The Operating Agency shall obtain and maintain on site certificates of insurance, which establish that the subcontractor maintains all the programs of insurance required by the County from each approved subcontractor. The County may request copies of the certificates and endorsements required herein at any time. Failure by the Operating Agency to comply with the County's request may be deemed by the County as a material breach of this contract.

31. NOTICE OF FEDERAL EARNED INCOME CREDIT. The Operating Agency shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015.
32. FISCAL LIMITATIONS. The United States of America, through HUD, may in the future place programmatic or fiscal limitation(s) on CDBG funding. Accordingly, the County reserves the right, in its sole discretion, to revise this Contract in order to take into account actions and events affecting CDBG program funding. In the event of a CDBG funding reduction by HUD, the County may, in its sole discretion, reduce the compensation amount of this Contract in whole or in part, or may limit the rate of the Operating Agency's use of both its uncommitted and its unspent funds. The Commission, through its Executive Director, or his designee, may act for the County in implementing and effecting such a reduction in the compensation amount of this Contract.

Where the Commission, through its Executive Director, or his designee, has reasonable grounds to question the fiscal accountability, financial soundness, or compliance with this Contract of the Operating Agency, the Commission, through the Executive Director, or his designee, may suspend this Contract for up to 60 days, upon three (3) days notice to the Operating Agency, pending an audit or other resolution of such questions. In no event, however, shall a revision made by the County affect expenditures and legally binding commitments made by the Operating Agency before it received notice of such revision, provided that such amounts have been committed in good faith and are otherwise allowable, that such commitments are consistent with HUD cash withdrawal guidelines, and that CDBG funds are available to the County to satisfy such expenditures or legally binding commitments.
33. USE OF FUNDS FOR ENTERTAINMENT, MEALS, OR GIFTS. The Operating Agency certifies and agrees that it will not use funds provided through this Contract to pay for entertainment, meals, or gifts.
34. CONFLICT OF INTEREST. The Operating Agency, its agents and employees shall comply with all applicable Federal, State, and County laws and regulations governing conflict of interest including, but not limited to, 2 CFR Part 200. Section 200.112 and 24 CFR Section 570.611. The Operating Agency agrees to incorporate the language found in this Section 34, CONFLICT OF INTEREST, in contracts using CDBG funds and subject to compliance with conflict of interest Federal, State, and County laws.

The general rule shall be that no person described in the *Persons covered* section below of this Section 34, CONFLICT OF INTEREST, who exercises, or has exercised any function or responsibilities with respect to CDBG activities, or who is in a position to participate in a decision making process or gain inside information with regards to such activities, may obtain a financial interest or benefit from a CDBG-assisted activity, or have a financial interest in any contract, subcontract , or agreement with respect to a CDBG-assisted activity, or with respect to the proceeds of the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for one (1) year thereafter.

Persons covered – The conflict of interest provisions of this Section 34, CONFLICT OF INTEREST, shall apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the CDBG Operating Agency, or of any designated public agencies, or of any subrecipients that are receiving CDBG funds.

The Operating Agency represents, warrants and agrees that to the best of its knowledge, it does not presently have, nor will it acquire during the term of this Contract, any interest direct or indirect, by contract, employment, or otherwise, or as a partner, joint venture or shareholder (other than as a shareholder holding a one percent (1%) or less interest in publicly traded companies) or affiliate with any business or business entity that has entered into any contract, subcontract or arrangement with the County or Commission. Upon execution of this Contract and during its term, as appropriate, the Operating Agency shall disclose in writing to the County any other contract or employment during the term of this Contract by any other persons, business, or corporation in which employment will or may likely develop a conflict of interest between the County's and/or Commission's interest and the interests of the third parties.

35. BUDGET MODIFICATIONS. The Executive Director, or his designee, who shall be a Division Director or higher, may grant budget modifications to this Contract for the movement of funds between the budget categories identified in Exhibit A, when such modifications:

- a. Are specifically requested by the Operating Agency;
- b. Will not change the project goals or scope of services;
- c. Are in the best interest of the County and the Operating Agency in performing the scope of services under this Contract;
- d. Do not alter the total amount of compensation under this Contract; and
- e. Are in writing prior to expenditures being made.

36. TIME OF PERFORMANCE MODIFICATIONS. The Executive Director, or his designee, who shall be a Division Director or higher, may grant time of performance modifications to this contract when such modifications:

- a. Are specifically requested by the Operating Agency;
- b. Will not change the project goals or scope of services;
- c. Are in the best interest of the County and the Operating Agency in performing the scope of services under this Contract;

- d. Do not alter the total amount of compensation under this Contract; and
- e. Are in writing prior to expenditures being made.

37. AUDIT EXCEPTIONS. The Operating Agency agrees that in the event the program established hereunder is subject to audit exceptions by appropriate audit agencies, it shall be responsible for complying with such exceptions and paying the County the full amount of County's liability to the funding agency resulting from such audit exceptions.

38. AUDITS. The Operating Agency's program will be audited in accordance with the County's policy and funding source guidelines. Audits may also be conducted by Federal, State, or local funding source agencies. The County or its authorized representatives shall, at all times during the term of this Contract, and for a period of five (5) years thereafter, have access, for the purpose of audit or inspection, to any and all books, documents, papers, records, property, and premises of the Operating Agency. The Operating Agency's staff will cooperate fully with authorized auditors when they conduct audits and examinations of the Operating Agency's program. A financial audit of the Operating Agency's performance under this Contract shall be conducted at the County's discretion. If indications of misappropriation or misapplication of the funds of this Contract cause the County to require a special audit, the cost of the audit will be encumbered and deducted from this Contract's budget.

Failure of Operating Agency to comply with the requirements of this Section shall constitute a material breach of contract upon which the Commission, through its Executive Director, or his designee, may cancel, terminate or suspend this Contract.

39. INDEPENDENT CONTRACTOR. Both parties hereto in the performance of this Contract will be acting in an independent capacity and not as agents, employees, partners, joint ventures, or associates of one another. The employees or agents of one party shall not be deemed or construed to be the agents or employees of the other party for any purpose whatsoever, including workers' compensation liability. The Operating Agency shall bear the sole responsibility and liability for furnishing workers' compensation benefits to any person for injuries arising from or connected with services performed on behalf of the Operating Agency pursuant to this Contract.

40. AMENDMENTS/VARIATIONS. This writing, with attachments, embodies the whole of the agreement of the parties hereto. No oral agreement shall be binding upon the parties unless expressly stated herein. Except as provided herein, any addition to or variation of the terms of this Contract shall not be valid unless made in the form of a written amendment of this Contract formally approved and executed by both parties. All Amendments must be received by the County no less than 60 calendar days from the expiration date of this Contract.

41. ACQUISITION OF SUPPLIES AND EQUIPMENT. Following approval by the County for necessary supplies and equipment for Contract performance, the Operating Agency may purchase from a related agency/organization only if: (a) prior authorization is obtained in writing from the County, (b) no more than maximum prices or charges are made and no more than minimum specifications are met, as provided in writing by the County, (c) a community related benefit is derived from such Operating Agency related

acquisition, and (d) no conflict of interest for private gain accrues to the Operating Agency or its employees, agents or officers.

42. MONITORING AND EVALUATION. The County will monitor, evaluate, and provide guidance to the Operating Agency in the performance of this Contract. Authorized representatives of the County and HUD shall have the right of access to all activities and facilities operated by the Operating Agency under this Contract. Facilities include all files, records, and other documents related to the performance of this Contract. Activities include attendance at staff, board of directors, advisory committee, and advisory board meetings, and observation of ongoing program functions. The Operating Agency will ensure the cooperation of its staff and board members in such efforts. The Executive Director, or his designee, may conduct program progress reviews. These reviews will focus on the extent to which the planned program has been implemented and measurable goals achieved, effectiveness of program management, and impact of the program.

Failure of Operating Agency to comply with the requirements of this Section shall constitute a material breach of contract upon which the Executive Director, or his designee, may cancel, terminate or suspend this Contract.

43. INSURANCE. The Executive Director hereby authorizes the Commission's Risk Manager to determine the requirements of the insurance policy to be procured and maintained by the Operating Agency with respect to its activities and obligations hereunder. Without limiting the Operating Agency's indemnification requirements as set forth in Section 45 below, the Operating Agency shall provide and maintain at its own expense during the term of this Contract, a program of insurance satisfactory to the Commission's Risk Manager covering its operations hereunder, as specifically defined in Exhibit B to this Contract, a copy of which is attached hereto and incorporated herein by this reference.
44. FAILURE TO PROCURE INSURANCE. Failure on the part of the Operating Agency to procure or maintain required insurance (pursuant to Exhibit B) shall constitute a material breach of contract under which County may immediately suspend or terminate this Contract or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith. All monies so paid by the County shall be repaid by the Operating Agency to the County upon demand or the County may offset the cost of the premiums against any monies due to the Operating Agency from the County.
45. INDEMNIFICATION. The Operating Agency ("Indemnitor") shall indemnify, defend and hold harmless the Community Development Commission of the County of Los Angeles, Housing Authority of the County of Los Angeles, the County of Los Angeles, and each of their elected and appointed officers, officials, representatives, employees, successors, assigns, predecessors, lenders, accountants, attorneys, and agents (each an "Indemnitee") from and against any and all liability, demands, damages, claims, causes of action, judgments, awards, expenses, and fees (including reasonable attorneys', experts' and consultants' fees) including, but not limited to, claims for bodily injury, property damage, loss of income, pain and suffering, emotional and psychological distress, and death, that arises from, pertains to, or relates to (whether in whole or in part) the acts, errors, or omissions of Indemnitor, Indemnitor's agent(s),

representative(s), employee(s), or any third party with whom Indemnitor directly contracts with (or for whom Indemnitor is otherwise legally responsible for) in connection with the performance of Indemnitor's obligations under this Contract (collectively, the "Indemnified Liabilities"). If Indemnitor is a "design professional" within the meaning of *Civil Code* § 2782.8, Indemnitor shall only be required to indemnify and defend Indemnatee to the extent that the claims arise from, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Indemnitor. Notwithstanding anything to the contrary, Indemnitor shall only be required to indemnify a particular Indemnatee to the extent that the Indemnified Liabilities was not caused by the sole negligence, active negligence or willful misconduct of that Indemnatee. Indemnitor agrees to require each and every third party with whom Indemnitor directly contracts with (or for whom Indemnitor is otherwise legally responsible for) to be considered an additional "Indemnitor" under this provision and to separately agree to indemnify, defend, and hold harmless each Indemnatee for the work, materials, and services provided by that third party as required under this provision. The parties intend for this provision to not violate any applicable laws (including *Civil Code* §§ 2782 *et. seq.*) and, to the fullest extent permitted by law, this provision shall be interpreted in such a manner. In the event of a conflict between this provision and any other provision in this Contract or any other contract between Indemnitor and Indemnatee, this provision shall govern. This provision shall survive the termination or expiration of the Contract and will continue to remain in full force and effect for ten years from substantial completion of Indemnitor's services, work, or provision of materials, or until all applicable statutes of limitations for the Indemnified Liabilities have expired, whichever is longer.

46. FINANCIAL CLOSE OUT PERIOD. The Operating Agency agrees to complete all necessary financial close-out procedures required by the County, within a period of not more than 60 calendar days from the expiration date of this Contract. This time period will be referred to as the financial close out period. The County is not liable to provide reimbursement for any expenses or costs associated with this Contract after the expiration of the financial close out period. After the expiration of the financial close out period, those funds not paid to the Operating Agency under this Contract, if any, may be immediately reprogrammed by the County into other eligible activities in the County. The County may request a final financial audit for activities performed under this Contract at the expiration of the financial close out period.
47. NEPOTISM. The Operating Agency shall not hire nor permit the hiring of any person to fill a position funded through this Contract if a member of that person's immediate family is employed in an administrative capacity by the Operating Agency, unless this action is approved by the Operating Agency's governing body and waived by the County. For the purpose of this section, the term "immediate family" means spouse, child, mother, father, brother, sister, brother-in-law, sister-in-law, father-in-law, mother-in-law, son-in-law, daughter-in-law, aunt, uncle, niece, nephew, stepparent and stepchild. The term "administrative capacity" means having selection, hiring, supervisory, or management responsibilities, including serving on the governing body of Operating Agency.

48. RELIGIOUS AND POLITICAL ACTIVITIES. The Operating Agency agrees that funds under this Contract will be used exclusively for performance of the work required under this Contract, and that no funds made available under this Contract shall be used to promote religious or political activities. Further, the Operating Agency agrees that it will not perform, nor permit to be performed, any religious or political activities in connection with the performance of this Contract.
49. USE OF FUNDS. All funds approved under this Contract shall be used solely for costs approved in the program budget for this Contract. Contract funds shall not be used as a cash advancement between contracts, as security to guarantee payments for any non-program obligations, or as loans for non-program activities. Separate financial records shall be kept for each funding source and program.
50. REPORTS AND RECORDS. The Operating Agency agrees to prepare and submit financial, program progress, monitoring, evaluation and other reports as required by the County. Program progress reports shall be submitted as required, in the form specified by the Commission, through its Executive Director, or his designee. The Operating Agency shall maintain, and permit on-site inspections of such property, personnel, financial and other records and accounts as are considered necessary by the County to assure proper accounting for all Contract funds during the term of this Contract and for a period of five (5) years thereafter. The Operating Agency will ensure that its employees and board members furnish such information, which, in the judgment of County representatives, may be relevant to a question of compliance with contractual conditions, with County or granting agency directives, or with the effectiveness, legality, and achievements of the program.
51. EXPENDITURES. Expenditures made by the Operating Agency in the operation of this Contract shall be in strict compliance and conformity with the Budget set forth in Exhibit A, unless prior written approval for an exception is obtained from the Commission, through its Executive Director, or his designee.
52. CERTIFICATION PROHIBITING USE OF EXCESSIVE FORCE. In accordance with Section 519 of Public Law 101-144, the undersigned certifies, to the best of his or her knowledge and belief that it has adopted and is enforcing:
- a. A policy prohibiting the use of excessive force in violation of applicable Federal, State or local laws by anyone acting under the authority or supervision of Operating Agency against any individuals engaged in non-violent civil rights demonstrations; and
 - b. A policy of compliance with applicable Federal, State, and local laws against individuals physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.
53. DRUG-FREE WORKPLACE. Operating Agency agrees to provide a drug-free workplace by:
- a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Operating

Agency's workplace and specifying the actions that will be taken against employees for violation of such prohibition;

- b. Establishing an ongoing drug-free awareness program to inform employees about:
 - i. The dangers of drug abuse in the workplace;
 - ii. The Operating Agency's policy of maintaining a drug-free workplace;
 - iii. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - iv. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace:
- c. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by subparagraph a. of this Section 53;
- d. Notifying the employee in the statement required by paragraph a. of this Section 53 that, as a condition of employment under the grant, the employee will:
 - i. Abide by the terms of the statement; and
 - ii. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five (5) calendar days after such conviction;
- e. Notifying the County in writing, within ten (10) calendar days after receiving notice under subparagraph (d) (ii) from an employee or otherwise receiving actual notice of such a conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- f. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d) (ii), with respect to any employee who is so convicted;
 - i. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - ii. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
- g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of subparagraphs a, b, c, d, e, and f.

54. RESIDENTIAL ANTIDISPLACEMENT AND RELOCATION ASSISTANCE PLAN. Section 104(d) of the Housing and Community Development Act of 1974, also known as the Barney Frank Amendment, requires relocation assistance for displaced low-income families and requires one-for-one replacement of low/moderate income dwelling units that are demolished or converted to other use. When CDBG funds are used in a project, including financing for rehabilitation, or project delivery costs, Section 104(d) is triggered. CDBG Regulations further describe the requirements under 24 CFR Section 570.606 Displacement, Relocation, Acquisition, and Replacement of Housing.

The Operating Agency must adopt and make public a Residential Antidisplacement and Relocation Assistance Plan as part of its administrative requirements to HUD. Before the Operating Agency enters into a Contract committing it to provide funds for any activity that will directly result in the demolition, or conversion to another use, of low/moderate-income dwelling units, it must make public and submit to HUD the information as described in Sections 24 CFR Sections 570.457; 570.496 (a); 570.606 (c); and 570.702 (f).

55. PROPERTY MAINTENANCE STANDARDS. The Operating Agency providing services under Contract to the County must ensure that sufficient property maintenance ("property maintenance standards") shall be provided to the facility where services are being provided. Property maintenance includes removal of trash and debris, graffiti abatement, landscaping, and physical appearance acceptable to the County.

56. TERMINATION FOR IMPROPER CONSIDERATION (GRATUITIES). The County may, by written notice to the Operating Agency, immediately terminate the right of the Operating Agency to proceed under this Contract if it is found that improper consideration, in any form, was offered or given by the Operating Agency, either directly or through an intermediary, to any County officer, employee, or agent with the intent of securing the Contract or securing favorable treatment with respect to the award, amendment, or extension of the Contract or the making of any determinations with respect to the Operating Agency's performance pursuant to the Contract. In the event of such termination, the County shall be entitled to pursue the same remedies against the Operating Agency as it could pursue in the event of default by the Operating Agency.

The Operating Agency shall immediately report any attempt by the County officer or employee to solicit such improper consideration. The Report shall be made to the Executive Director or the County Auditor-Controller's Employee Fraud Hotline (800) 544-6861.

57. OPERATING AGENCY'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM. The Operating Agency acknowledges that the County has established a goal of ensuring that all individuals who benefit financially from the County through contract are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers.

As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the Operating Agency's duty under this Contract to comply with all applicable provisions of the law, the Operating Agency warrants that it is now in compliance and shall during the term of this Contract maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or District Attorney Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

58. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM. Failure of the Operating Agency to maintain compliance with the requirements set forth in Section 57, OPERATING AGENCY'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM shall constitute a default by the Operating Agency under this Contract. Without limiting the rights and remedies available to the County under any other provision of this Contract, failure to cure such default within 90 days of notice by the Los Angeles County Child Support Services Department (CSSD) shall be grounds upon which the Executive Director, or his designee, may terminate this Contract pursuant to Section 62, Termination for Cause.
59. POST MOST WANTED DELINQUENT PARENTS LIST. The Operating Agency acknowledges that the County places a high priority on the enforcement of child support laws and the apprehension of child support evaders. The Operating Agency understands that it is the County's policy to voluntarily post a list entitled "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at the Operating Agency's place of business. The CSSD will supply the Operating Agency with the poster to be used.
60. COUNTY'S QUALITY ASSURANCE PLAN. The County will evaluate the Operating Agency's performance under this Contract on not less than an annual basis. Such evaluation will include assessing the Operating Agency's compliance with all Contract terms and performance standards. The Operating Agency's deficiencies, which the County determines are severe or continuing and that may place performance of the Contract in jeopardy, if not corrected will be reported to the Board of Supervisors. The report will include improvement/corrective action measures taken by the County and the Operating Agency. If improvement does not occur consistent with the corrective measure, the County may terminate this Contract, pursuant to Sections 61 or 62, or impose other penalties as specified in this Contract.
61. TERMINATION FOR CONVENIENCE. The County reserves the right to cancel this Contract for any reason at all upon 30 days' prior written notice to the Operating Agency. In the event of such termination, the Operating Agency shall be entitled to a prorated portion paid for all satisfactory work unless such termination is made for cause, in which event, compensation if any, shall be adjusted in such termination.

If the County exercises its rights under Section 32, Fiscal Limitations, the Operating Agency shall have the right to terminate this Contract for convenience with 30 days' advance written notice under this Section 61.

62. TERMINATION FOR CAUSE. This Contract may be terminated by the County upon written notice to the Operating Agency for just cause (failure to perform satisfactorily) with no penalties incurred by the County upon termination or upon the occurrence of any of the following events in a, b, c, d, or e:
- a. Should the Operating Agency fail to perform all or any portion of the work required to be performed hereunder in a timely and good workmanlike manner or properly carry out the provisions of the Contract in their true intent and meaning, then in such case, notice thereof in writing will be served upon the Operating Agency, and should the Operating Agency neglect or refuse to provide a means for satisfactory compliance with this Contract and with the direction of the County within the time specified in such notice, the County shall have the power to suspend or terminate the operations of the Operating Agency in whole or in part;
 - b. Should the Operating Agency fail within five (5) days to perform in a satisfactory manner, in accordance with the provisions of the Contract, or if the work to be done under said Contract is abandoned for more than three (3) days by the Operating Agency, then notice of deficiency thereof in writing will be served upon the Operating Agency by the County;
 - c. Should the Operating Agency fail to comply with the terms of said Contract within five (5) days, upon receipt of said written notice of deficiency, the Commission, through its Executive Director, or his designee, shall have the power to suspend or terminate the operations of the Operating Agency in whole or in part;
 - d. In the event that a petition of bankruptcy shall be filed by or against the Operating Agency; or
 - e. If, through any cause, the Operating Agency shall fail to fulfill in timely and proper manner the obligations under this Contract, or if the Operating Agency shall violate any of the covenants, Contracts, or stipulations of this Contract, the County shall thereupon have the right to terminate this Contract by giving written notice to the Operating Agency of such termination and specifying the effective date thereof, at least five (5) days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports prepared by the Operating Agency or under this Contract shall, at the option of the County, become its property and the Operating Agency shall be entitled to receive just and equitable compensation for any work satisfactorily completed.
63. ARCHITECTURAL BARRIERS ACT AND THE AMERICANS WITH DISABILITIES ACT. The Architectural Barriers Act of 1968 (42 U.S.C. 4151-4157) requires certain Federal and Federally-funded buildings and other facilities to be designed, constructed, or altered in accordance with standards that insure accessibility to, and use by, physically handicapped people. A building or facility designed,

constructed, or altered with funds allocated or reallocated under this part after December 11, 1995, and that meets the definition of residential structure as defined in 24 CFR Section 40.2 or the definition of building as defined in 41 CFR Part 101, is subject to the requirements of the Architectural Barriers Act of 1968 (42 U.S.C. 4151-4157) and shall comply with the Uniform Federal Accessibility Standards (Appendix A to 24 CFR Part 40 for residential structures and Appendix A to 41 CFR Parts 101-19 for general type buildings). The Americans with Disabilities Act (42 U.S.C. Section 12131; 47 U.S.C. Sections 155.201, 218 and 225) (ADA) provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, State and local government services, and telecommunications. It further provides that discrimination includes a failure to design and construct facilities for first occupancy after January 26, 1993 that are readily accessible to and usable by individuals with disabilities. Further, the ADA requires the removal of architectural barriers and communication barriers that are structural in nature in existing facilities, where such removal is readily achievable, easily accomplishable and able to be carried out without much difficulty or expense.

64. USE OF RECYCLED-CONTENT PAPER PRODUCTS. Consistent with the County Board of Supervisors' policy to reduce the amount of solid waste deposited at County landfills, the Operating Agency agrees to use recycled-content paper to the maximum extent possible.

65. EMPLOYEES OF OPERATING AGENCY. *Workers' Compensation:* Operating Agency understands and agrees that all persons furnishing services to the County pursuant to this Contract are, for the purposes of workers' compensation liability, employees solely of the Operating Agency. The Operating Agency shall bear sole responsibility and liability for providing workers' compensation benefits to any person for injuries arising from an accident connected with services provided to the County under this Contract.

Professional Conduct: The County does not and will not condone any acts, gestures, comments, or conduct from the Operating Agency's employees, agents, or subcontractors which may be construed as sexual harassment or any other type of activities or behavior that might be construed as harassment. The County will properly investigate all charges of harassment by residents, employees, or agents of the County against any and all Operating Agency's employees, agents, or subcontractors providing services for the County. The Operating Agency assumes all liability for the actions of the Operating Agency's employees, agents, or subcontractors and is responsible for taking appropriate action after reports of harassment are received by the Operating Agency.

66. CONTRACTOR RESPONSIBILITY AND DEBARMENT. A responsible contractor is a contractor, consultant, vendor, or operating agency who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the Contract. It is the policy of the Commission, Housing Authority, and County to conduct business only with responsible contractors.

a. The Operating Agency is hereby notified that if the County acquires information concerning the performance of a contractor on this or other contracts which indicates

that the contractor is not responsible, the County may, in addition to other remedies provided in the Contract, debar the contractor from bidding or proposing on, or being awarded, and/or performing work on County, Commission, and/or Housing Authority contracts for a specified period of time, which generally will not exceed five (5) years but may exceed five (5) years or be permanent if warranted by circumstances, and terminate any or all existing contracts the contractor may have with the County, Commission, and/or Housing Authority.

- b. The County may debar a contractor, consultant, vendor or operating agency if the Board of Commissioners finds, in its discretion, that the contractor, consultant, vendor, or operating agency has done any of the following: (1) violated any term of a contract with the Commission, Housing Authority, or County, or a nonprofit corporation created by the Commission, Housing Authority, or County; (2) committed any act or omission which negatively reflects on the its quality, fitness or capacity to perform a contract with the Commission, Housing Authority, or County or any other public entity, or a nonprofit corporation created by the Commission, Housing Authority, or County, or engaged in a pattern or practice which negatively reflects on same; (3) committed an act or offense which indicates a lack of business integrity or business honesty; or (4) made or submitted a false claim against the Commission, Housing Authority, County, or any other public entity.
- c. If there is evidence that the contractor may be subject to debarment, the County will notify the contractor in writing of the evidence, which is the basis for the proposed debarment and will advise the contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
- d. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The contractor and/or the contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the contractor should be debarred, and, if so, the appropriate length of time of the debarment. The contractor and the County shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Commissioners.
- e. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the Contractor Hearing Board.
- f. If a contractor has been debarred for a period longer than five (5) years, that contractor may, after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, at its discretion, reduce the period of debarment or terminate the debarment if it finds that the contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3)

material evidence discovered after the debarment was imposed; or (4) any other reason that is in the best interests of the County.

- g. The Contractor Hearing Board will consider a request for review of the debarment determination only where (1) the contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of the debarment period or termination of the debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.
 - h. The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the Contractor Hearing Board.
 - i. These terms shall also apply to subcontractors and consultants of County, Commission, or Housing Authority contractors, consultants, vendors, and operating agencies.
67. COPELAND "ANTI-KICKBACK" ACT. The Operating Agency shall comply with the Copeland "Anti-Kickback" Act (18 U.S.C. 874) as supplemented by Department of Labor regulations (29 CFR part3). These terms shall apply to construction contracts in excess of \$2,000 awarded to the Operating Agency, as well as contracts awarded to subcontractors and consultants.
68. DAVIS-BACON ACT. The Operating Agency shall comply with the prevailing wage requirements of the Davis-Bacon Act as amended, (40 U.S.C. 3141-3148) and as supplemented by the Department of Labor regulations (29 CFR part 5). These terms shall apply to construction contracts in excess of \$2,000 awarded to the Operating Agency, as well as contracts awarded to subcontractors and consultants. The prevailing wage requirements also apply to CDBG funded activities for the rehabilitation of residential property when the project contains eight (8) or more housing units at the construction site.
69. SECTION 3. In order to comply with the Housing and Urban Development Act of 1968, the Operating Agency and, where applicable, its contractor(s) and subcontractor(s) shall comply with Section 3 regulations as described in 24 CFR Part 135. Section 3 compliance activities of the Operating Agency and its contractor(s) and subcontractor(s) shall be guided by the Construction Compliance Guidelines, as amended, which can be made available to the Operating Agency for inspection and copying upon request, if the Operating Agency does not already possess a copy.

- a. The work to be performed under this Contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low-and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

Section 3 covered assistance and thresholds apply to the following HUD assistance:

- i. Housing and Community Development assistance – Section 3 applies to training, employment, contracting, and other economic opportunities arising in connection with the expenditure of housing assistance (including Section 8 assistance, including other housing assistance not administered by the U.S. Assistant Secretary of housing); community development assistance that is used for housing rehabilitation (including abatement of lead based paint hazards, but excluding routine maintenance, repair and replacement; and other public construction); housing construction; and other public construction.

The threshold for Section 3 covered housing and community development assistance is \$200,000 or more. This threshold applies to recipients of housing and community development program assistance for Section 3 covered programs. The requirements of this section also apply to contractors and subcontractors performing work on Section 3 covered project(s) for which the amount of the assistance exceeds \$200,000, and the contract or subcontract exceeds \$100,000. If a recipient receives Section 3 covered housing or community development assistance in excess of \$200,000, but no contract exceeds \$100,000, then the Section 3 preference requirements apply only to the recipient.

Applicability of Section 3 to an entire project or activity funded with Section 3 assistance. The requirements of this section apply to an entire project or activity that is funded with Section 3 covered assistance, regardless of whether the activity is fully or partially funded with Section 3 covered assistance.

- b. The parties to this Contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this Contract, the parties to this Contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- c. The Operating Agency agrees to send to each labor organization or representative of workers with which the Contractor has a collective bargaining Contract or other understanding, if any, a notice advising the labor organization or workers' representative of the Operating Agency's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the

qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

- d. The Operating Agency agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The Operating Agency will not subcontract with any subcontractor where the Operating Agency has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
 - e. The Operating Agency will certify that any vacant employment positions, including training positions, that are filled (1) after the Operating Agency is selected but before the Contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the Operating Agency's obligations under 24 CFR Part 135.
 - f. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this Contract for default, and debarment or suspension from future HUD assisted contracts.
70. CONSTRUCTION/REHABILITATION PROJECTS. The Operating Agency shall submit a request to the County, to conduct a Contract and Labor Compliance File Review within 10 days from completion of construction/rehabilitation activities.
71. PATENT RIGHTS. The Operating Agency must adhere to Federal requirements and regulations relating to patent rights with respect to any discovery or invention which arises or is developed in the course of or under this contract.
72. DISALLOWED COSTS. If Operating Agency has failed to return unexpended funds or funds spent for disallowed costs related to any CDBG Contract it has with the County, County may withhold and offset payments to be made to Operating Agency under this Contract.
73. PHOTOGRAPHS, FOOTAGE, AND OTHER MEDIA MATERIALS. Operating Agency represents and warrants that all photographs, videos, DVD's, footage, magazines, and other media materials provided to the County are either public record or have been legally procured without invading the copyright, ownership, or privacy rights of any individual. Operating Agency further agrees to defend, hold harmless, and indemnify the County from any and all liability, as described in Section 45, Indemnification, arising from or related to County's use of said photographs, videos, DVD's, footage, magazines, and other media materials.
74. OPERATING AGENCY'S ACKNOWLEDGMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW. The Operating Agency acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The Operating Agency understands that it is the County's policy to encourage all County Contractors to voluntarily post the County's

“Safely Surrendered Baby Law” poster in a prominent position at the Operating Agency’s place of business. The Operating Agency will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor’s place of business. This poster is available at www.babysafela.org/docs/poster_e.pdf.

75. NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW. The Operating Agency shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is available at www.babysafela.org for printing purposes.
76. OPERATING AGENCY’S WARRANTY OF COMPLIANCE WITH COUNTY’S DEFAULTED PROPERTY TAX REDUCTION PROGRAM. The Operating Agency acknowledges that the County has established a goal of ensuring that all individuals and businesses that benefit financially from the County through contract are current in paying their personal and real property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers. Unless the Operating Agency qualifies for an exemption or exclusion, the Operating Agency warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this Contract will maintain compliance, with the County’s Defaulted Tax Program, found at Los Angeles County Ordinance No. 2009-0026 and codified at Los Angeles County Code, Chapter 2.206.
77. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY’S DEFAULTED PROPERTY TAX REDUCTION PROGRAM. Failure of the Operating Agency to maintain compliance with the requirements set forth in Section 76, “OPERATING AGENCY’S WARRANTY OF COMPLIANCE WITH COUNTY’S DEFAULTED PROPERTY TAX REDUCTION PROGRAM” shall constitute default under this Contract. Without limiting the rights and remedies available to the County under any other provision of this Contract, failure of the Operating Agency to cure such default within 10 days of notice shall be grounds upon which County may suspend or terminate this contract pursuant to the County’s Defaulted Property Tax Reduction Program found at Los Angeles County Ordinance No. 2009-0026 and codified at Los Angeles County Code, Chapter 2.206.
78. COMPLIANCE WITH COUNTY’S ZERO TOLERANCE HUMAN TRAFFICKING. Operating Agency acknowledges that the County has established a Zero Tolerance Trafficking Policy prohibiting the Operating Agency, or subcontractors approved under this contract from engaging in human trafficking.

If the Operating Agency, or a member (s) on the Operating Agency’s staff is convicted of a human trafficking offense, the County shall require that the Operating Agency, or member of the Operating Agency’s staff be removed immediately from performing services under this contract. The County will not be under any obligation to disclose confidential information regarding the offenses other than those required by law.

Disqualification of any member of the Operating Agency's staff pursuant to this section shall not relieve the Operating Agency of its obligation to complete all work in accordance with the terms and conditions of this Contract.

79. CLEAN AIR ACT. The Operating Agency must comply with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15). These terms shall apply to construction contracts in excess of \$100,000 awarded to the Operating Agency, as well as contracts awarded to subcontractors and subconsultants.
80. ENERGY POLICY AND CONSERVATION ACT. The Operating Agency must comply with mandatory standards and policies related to energy efficiency which are contained in the State Energy Conservation Plan issued in compliance with the Energy Policy and Conservation Act (Pub.L.94A 163, Stat.871).
81. WARRANTY OF AUTHORITY. The undersigned signatory for the Operating Agency covenants, warrants and guarantees that he/she is empowered and authorized to sign this Contract on behalf of Operating Agency in accordance with the terms and conditions stated herein.
82. ENTIRE CONTRACT. This Contract with attachments and any and all CDBG Bulletins, which the County may issue from time to time following the date of execution, constitute the entire understanding and agreement of the parties.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Contract to be subscribed by the Executive Director of the Community Development Commission, and the Operating Agency has subscribed the same through its duly authorized officers, on the day, month and year first above written.

COUNTY OF LOS ANGELES

«AGENCY_NAME»
Operating Agency

By: _____
MONIQUE KING-VIEHLAND, Executive Director
Community Development Commission
of the County of Los Angeles

By: _____
Title: _____

APPROVED AS TO FORM:

MARY C. WICKHAM
County Counsel

APPROVED AS TO PROGRAM:

MONIQUE KING-VIEHLAND, Executive Director
Community Development Commission
of the County of Los Angeles

By: _____
Deputy

By: _____
Director, Community Development Division

**COUNTY OF LOS ANGELES
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
REIMBURSABLE CONTRACT
WITH PARTICIPATING CITY**

CONTRACT NUMBER: «Contract_No»

THIS REIMBURSABLE CONTRACT (Contract) is made and entered into this «Day» day of «Month», 20«CurrentYear», by and between the County of Los Angeles, hereinafter called the "County," acting by and through the Community Development Commission of the County of Los Angeles (Commission), and the «Agency_Name», hereinafter called the "Operating Agency."

WITNESSETH THAT:

WHEREAS, the County has entered into a contract with the United States of America, through its U.S. Department of Housing and Urban Development (HUD), to execute the County's Community Development Block Grant (CDBG) Program (Program) under the Housing and Community Development Act of 1974, as amended, hereinafter called the "Act;"

WHEREAS, California Government Code Section 53703 authorizes the County and Operating Agency to enter into this Contract in furtherance of the Program; and

WHEREAS, the Operating Agency desires to participate in said Program,

NOW, THEREFORE, in consideration of the mutual covenants herein set forth and the mutual benefits to be derived therefrom, the parties agree as follows:

1. CONTRACT ADMINISTRATION. The Commission, through its Executive Director (Commission) or his designee, shall have full authority to act for the County in the administration of this Contract consistent with the provisions contained herein.
2. SCOPE OF SERVICES. The Operating Agency is to perform services consistent with the goals and objectives set forth in the Commission Housing and Community Development Consolidated Plan (HCDGP), adopted by the County Board of Supervisors on May 22, 2018, or any amendment or successor thereto, which is incorporated herein by this reference.
3. AGREEMENT TO IMPLEMENT. The Operating Agency is eligible for reimbursement for a project implemented under this Contract only after an Agreement to Implement (ATI), accompanied by detailed Project Descriptions and Budgets for each project funded, are developed to the satisfaction of the Executive Director, or his designee, and is executed by both the Executive Director, or his designee, and the Operating Agency. This Contract shall consist of this document, the ATI, and attachments: Exhibit A(s), Project Descriptions and Activity Budgets, and Exhibit B, Insurance Requirements.

4. TIME OF PERFORMANCE. The Operating Agency shall commence services no sooner than the date first written above, and shall complete same by no later than «LateDate». Specified project start and completion dates shall be a part of the ATI procedure described above for initiating the project(s).
5. COMPENSATION AND METHOD OF PAYMENT. For satisfactory performance under this Contract, the County shall reimburse the Operating Agency an amount not to exceed «Budget» «**Budget_Amount**», which shall constitute full and complete compensation hereunder for the implementation of this Contract. Said compensation will only be paid out of funds received by the County from the Federal government under the Act, or from program income, as described in 2 CFR Part 200 Subpart D 200.307 and 24 CFR Section 570.504, accumulated under said program, for allowable costs actually paid for the expressed purposes specified. The parties understand and agree that such compensation, if any, shall be conditioned upon receipt of said funds by the County from the Federal government or accumulation of program income from said program, and shall not be a charge against any other funds of the County. Further, such funds, if any, shall be paid only after development and execution of the ATI(s) necessary to implement the project(s) covered by this Contract and submission and approval of the electronic payment request form. This payment request form must be submitted on a minimum of a bi-monthly basis as specified and provided by the County. The Operating Agency shall bill for expenditures on a reimbursable basis for each project for which an ATI has been executed. After timely receipt and approval of each payment request form, the County will draw a check in favor of the Operating Agency in the approved amount. After the expiration of the financial closeout period, those funds not paid under this Contract, if any, will be returned to the Operating Agency's un-programmed funds.

The «Repayment» dollars («Repayment_Amount») set aside for the estimated Section 108 debt repayment will automatically be drawn down by the Commission annually, with no further notice to Operating Agency. The set aside funds will be used for the County's Section 108 debt repayment to the fiscal agent, as determined by HUD. Further, such funds shall be drawn down per the Security Agreement executed on «Agr_Date», by «Agr_City», «Agr_County», as part of the Section 108 Loan Agreement between the City and the County of Los Angeles. Any remaining balance after the Section 108 debt repayment will be available for programming and reimbursement.

The Operating Agency shall have no claim against the County for payment of any money or reimbursement, of any kind whatsoever, for any service provided by the Operating Agency after the expiration or other termination of this Contract. Should the Operating Agency receive any such payment, it shall immediately notify the County and shall immediately repay all such funds to the County. Payment by the County for services rendered after expiration and/or termination of this Contract shall not constitute a waiver of the County's right to recover such payment from the Operating Agency. This provision shall survive the expiration or other termination of this Contract.

6. ACCOUNTING. The Operating Agency shall establish and maintain on a current basis an adequate accounting system in accordance with generally accepted accounting principles and standards, and the County Auditor-Controller Contract Accounting and Administration Handbook. Regardless of the Operating Agency's method of accounting, expenses must be reported in accordance with Sections 5 and 49 of this Contract.
7. EXPENDITURE STANDARDS. The Operating Agency shall not have more than 150% of its allocation for the current year unexpended after March 31 of each program year. An Operating Agency's failure to meet this standard constitutes noncompliance with the Performance Policy and may result in reductions to the Operating Agency's current un-programmed funds and/or subsequent annual allocations to ensure that the expenditure standard is met.

Changes in the grant allocation will be made following completion of the appeals process as outlined in the CDBG Participating Cities Drawdown Performance Policy and Appeals Process. The County reserves the right to make the final determination, in its sole discretion, as to the amount of reduction of the Operating Agency's grant allocation, if any.

8. COMPLIANCE WITH LAWS. All parties agree to be bound by all applicable Federal, State, and local laws, ordinances, regulations, and directives as they pertain to the performance of this Contract. This Contract is subject to and incorporates the terms of the Act; 24 CFR Part 570; 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Executive Order 12372; the County Auditor-Controller Contract Accounting and Administration Handbook; and all amendments or successor laws, regulations, or guidelines thereto (hereinafter called the "Laws, Regulations and Guidelines"). The Operating Agency has, and shall maintain, copies of the Laws, Regulations and Guidelines. Furthermore, the Operating Agency acknowledges that it has read and understands the Laws, Regulations, and Guidelines.

As required by 2 CFR Part 200 Section 200.414, the Operating Agency may charge an indirect cost rate to this contract that is based on:

- a. The negotiated indirect rate approved by its cognizant agency for the Fiscal Year applicable to this contract; or
- b. If the Operating Agency receives less than \$35 Million in Federal funding and has never received a negotiated indirect cost rate from a Federal Agency, a de minimis rate of 10% of Modified Total Direct Costs (MTDC), as defined in 2 CFR Part 200.68.

The Catalogue of Federal Domestic Assistance (CFDA) number assigned to the Community Development Block Grant Program is 14.218 and the Federal Award

Identification Number (FAIN) assigned to the County is B-18-UC-06-0505. The Federal Award date is effective July 1, 2018, and is authorized upon signature of the designated HUD Official.

The Operating Agency is required by the County to register and maintain an active Unique Entity Identifier (also known as the Data Universal Numbering System (DUNS) number) in order to apply for, receive, implement, and report on a Federally-funded program. Furthermore, the County certifies that it has received and maintains an active Unique Entity Identifier number for each Agency.

The Operating Agency shall comply with all applicable uniform administrative requirements. The Operating Agency shall carry out each activity in compliance with all applicable Federal laws and regulations described in 24 CFR Part 570 Subparts J and K, and 2 CFR Part 200, except that:

- a. The Operating Agency does not assume the County environmental responsibilities described in 24 CFR Section 570.604, and 24 CFR Part 58.1; and;
- b. The Operating Agency does not assume the County's responsibility for initiating the review process under Executive Order 12372.

The Operating Agency agrees to be bound by applicable Federal, State and local laws, regulations, and directives as they pertain to the performance of the Contract, including, but not limited to, Sections a-j below. This Contract is subject to and incorporates the terms of the Housing and Community Development Act of 1974, as amended by the Cranston-Gonzales National Affordable Housing Act, 1990 and 2 CFR, Part 200.

- a. The Operating Agency shall comply with the Civil Rights Act of 1964 Title VI which provides that no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.
- b. The Operating Agency shall comply with Section 109 of the Housing and Community Development Act of 1974 which states that no person in the United States shall, on the grounds of race, color, sex or national origin be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.
- c. The Operating Agency shall comply with the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, which require that no person in the United States shall be excluded from participating in, denied the benefits

of, or be subjected to discrimination under this Contract on the basis of age or with respect to an otherwise qualified disability.

- d. The Operating Agency shall comply with 24 CFR Part 5, including non-discrimination and equal opportunity requirements at 24 CFR 5.105(a). Furthermore, the Operating Agency shall comply with 24 CFR Parts 5 and 203, which prohibit discrimination in HUD-funded programs based upon sexual orientation or gender identity. The rule precludes owners and operators of HUD-assisted housing or housing who's financing is insured by HUD from inquiring about the sexual orientation or gender identity of an applicant or occupant.
- e. The Operating Agency shall ensure equal opportunity, in the award and performance of any contract, to all persons without regard to race, color, gender, sexual orientation, religion, national origin, ancestry, age, marital status, or disability.
- f. During the performance of this contract, the Operating Agency agrees as follows:
 - i. The Operating Agency shall comply with Executive Order 11246 of September 24, 1965, titled, Equal Employment Opportunity, later amended by Executive Order 11375 on October 13, 1967 and supplemented in Department of Labor Guidelines (41 CFR Part 60), which require that during the performance of this Contract, the Operating Agency will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Operating Agency will take affirmative action to ensure that applicants are employed, and that employees are treated fairly during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: employment, promotion, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Operating Agency agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of the non-discrimination clause.
 - ii. The Operating Agency will, in all solicitations or advertisements for employees placed by or on behalf of the Operating Agency, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
 - iii. The Operating Agency will send to each labor union or representative of workers with which he has a collective bargaining agreement or

other contract or understanding, a notice to be provided by the agency of the Operating Agency's contracting officer, advising the labor union or worker's representative of the Operating Agency's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

- iv. The Operating Agency will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.
 - v. The Operating Agency will furnish all information and reports required by the Executive Orders and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the Commission and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
 - vi. In the event that the Operating Agency fails to comply with the non-discrimination clauses of this Contract or with any of such rules, regulations, or orders, this Contract may be canceled, terminated, or suspended in whole or in part, and the Operating Agency may be declared ineligible for further Government contracts in accordance with procedures authorized in the Executive Orders and such other sanctions may be imposed and remedies invoked as provided in the Executive Orders or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
 - vii. The Operating Agency will include the provisions of these paragraphs in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of the Executive Order No. 11246 of September 24, 1965, that such provisions shall be binding upon each subcontractor or vendor. The Operating Agency will take such actions with respect to any subcontract or purchase order as the County may direct as a means of enforcing such provisions including sanctions for noncompliance, provided however, that in the event the Operating Agency becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of such direction by the County, the Operating Agency may request the United States to enter into such litigation to protect the interests of the United States.
- g. The Operating Agency shall comply with Executive Order 13166, titled "Improving Access to Services by Persons with Limited English Proficiency." Executive Order 13166 requires that Federally-assisted agencies make reasonable efforts to provide language assistance to ensure meaningful access

for Limited English Proficiency (LEP) persons to the agency's programs and activities. HUD guidelines on LEP were published in the Federal Register on January 22, 2007, and were effective February 21, 2007. These HUD guidelines should be applied to Federally-subsidized housing, programs, and other services which may be contracted out to other contractors.

- h. Should the Operating Agency require additional or replacement personnel after the effective date of this Contract, the Operating Agency shall give consideration for any such employment openings to participants in the County's Department of Public Social Services' Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the Contractor's minimum qualifications for the open position. The Operating Agency shall contact the County's GAIN Program and the GROW Program at (562) 908-6858 for a list of GAIN/GROW participants by job category.
- i. The Operating Agency is prohibited by the Department of Interior and Related Agencies Appropriations Act, known as the Byrd Amendments, and HUD's 24 CFR Part 87, from using Federally-appropriated funds for the purpose of influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, loan, or cooperative Contract, and any extension, continuation, renewal, amendment, or modification of said documents.

Should the Operating Agency or persons/subcontractors acting on behalf of the Contract fail to fully comply with the Federal Lobbyist Requirements civil penalties shall result.

- j. The Operating Agency and each County lobbyist or County lobbyist firm, as defined in Los Angeles County Code Chapter 2.160 (County Ordinance 93-0031), retained by the Operating Agency, shall fully comply with the requirements as set forth in said County Code Chapter.

9. LOBBYING CERTIFICATIONS. With regard to the certification for contracts, grants, loans, and Cooperative Agreements, the undersigned certify, to the best of their knowledge and belief, that:

- a. The Operating Agency is familiar with the Los Angeles County Code Chapter 2.160 and assures the County that all persons acting on behalf of the Operating Agency will comply with the County Code.
- b. The Operating Agency is familiar with the Federal Lobbyist Requirements and assures the County that all persons and/or subcontractors acting on behalf

of the Operating Agency will comply with the Federal Lobbyist Requirements.

- c. No Federally-appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- d. If any funds other than Federally-appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, or any employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- e. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including sub-contracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

- 10. TERMINATION FOR FAILURE TO COMPLY WITH FEDERAL AND COUNTY LOBBYIST REQUIREMENTS. Failure on the part of the Operating Agency and/or its Lobbyist(s) to fully comply with said Federal and County Lobbyist requirements shall constitute a material breach of the Contract upon which the County may immediately terminate this Contract, and the Operating Agency shall be liable for any and all damages incurred by the County and/or any Federal agency as a result of such breach.
- 11. PROGRAM REVIEW AND EVALUATION. The County will monitor, evaluate, and provide guidance to the Operating Agency in the performance of the CDBG Program. Reviews will focus on the extent to which the planned CDBG Program has been implemented and measurable goals achieved, effectiveness of the program management, and impact of the program.

The Operating Agency shall make available for inspection to authorized County and HUD personnel and their agents, for a total of five (5) years from the expiration date of this Contract, all records, including financial, pertaining to its performance under this Contract, and allow said County and HUD personnel and agents to inspect and monitor Operating Agency's facilities and program operations, and interview Operating Agency staff and program participants, as required by the County and/or HUD.

The Operating Agency agrees to submit all data that are necessary to complete the Consolidated Annual Performance and Evaluation Report (CAPER) and monitor program accountability and progress in accordance with HUD requirements in the format and at the time designated by the Commission, through its Executive Director or his designee.

Failure of the Operating Agency to comply with the requirements of this Section shall constitute a material breach of the Contract upon which the Commission, through its Executive Director, or his designee, may cancel, terminate, or suspend this Contract.

12. AUDITS. The Operating Agency shall make available for inspection and audit to authorized County and HUD personnel and their agents, for a total of five (5) years from the expiration date of this Contract, and allow said County and HUD personnel and agents to inspect and audit all of its books and records relating to the operating of each project or business activity which is funded in whole, or in part, with Federal or State grant monies, including the project(s) under this Contract.

Failure of the Operating Agency to comply with the requirements of this Section shall constitute a material breach of this Contract upon which the Commission, through its Executive Director, may cancel, terminate, or suspend this Contract.

13. AUDIT EXCEPTIONS. The Operating Agency agrees that in the event that the program established hereunder is subject to audit exceptions by appropriate audit agencies, it shall be responsible for complying with such exceptions and paying the County the full amount of the County's liability to the funding agency resulting from such audit exceptions.
14. CONFIDENTIALITY OF REPORTS. The Operating Agency shall keep confidential all reports, information, and data received, prepared or assembled pursuant to performance hereunder. Such information shall not be made available to any person, firm, corporation, or entity without the prior written consent of the County.
15. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT, AND ACCIDENT PREVENTION. The Operating Agency shall comply with the Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, contracts awarded in excess of \$100,000 that involve the employment of mechanics

or laborers must include a provision in compliance with 40 U.S.C. 3702 and 3704, as supplemented by the Department of Labor Regulations (29 CFR Part 5).

The Operating Agency shall also comply with all applicable Federal, State, and local laws governing safety, health, and sanitation. The Operating Agency shall provide all safeguard safety devices and protective equipment and take any other needed actions, as its own responsibility, as reasonably necessary to protect the life and health of employees on the job, the safety of the public and personal, and real property in connection with the performance of this Contract.

16. SEVERABILITY. In the event that any provision herein contained is held to be invalid, void, or illegal by any court of competent jurisdiction, the same shall be deemed severable from the remainder of this Contract and shall in no way affect, impair, or invalidate any other provisions contained herein. If any such provision shall be deemed invalid due to its scope of breadth, such provision shall be deemed valid to the extent of the scope of breadth permitted by law.
17. INTERPRETATION. No provision of this Contract shall be interpreted for or against either party because that party or that party's legal representative drafted such provision, but this Contract is to be construed as if both parties drafted it hereto.
18. WAIVER. No waiver by the County of any breach of any provision of this Contract shall constitute a waiver of any other breach or of such provision. Failure of the County to enforce at any time, or from time to time, any provision of this Contract shall not be construed as a waiver thereof. The rights and remedies set forth in this section 18 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.
19. REPORTS AND RECORDS. The Operating Agency agrees to prepare and submit financial, program progress, monitoring, evaluation, or other reports required by the County. The Operating Agency shall maintain and permit onsite inspections of such property, personnel, financial, and other records and accounts as are considered necessary by the County to assure proper accounting for all Contract funds during the term of this Contract and for a total of five (5) years thereafter. The Operating Agency will ensure that its employees, agents, City Council members, officers, and board members furnish such information which, in the judgment of County representatives, may be relevant to a question of compliance with contractual conditions, with County or HUD directives, or with the effectiveness, legality, and achievements of the program.
20. AFFIRMATIVE ACTION. The Operating Agency shall make every effort to ensure that all projects funded wholly or in part by CDBG funds shall provide equal employment and career advancement opportunities for minorities and women. In addition, the Operating Agency shall make every effort to employ residents of the project area(s) specified in the ATI(s).

21. DISCRIMINATION. No person shall, on the grounds of race, gender, sexual orientation, creed, color, religion, national origin, age, or physical handicap, be excluded from participating in, be refused the benefits of, or otherwise be subjected to discrimination in any activities, programs, or employment supported by this Contract.
22. FISCAL LIMITATIONS. The United States of America, through HUD, may, in the future, place programmatic or fiscal limitation(s) on CDBG funds. Accordingly, the County reserves the right, in its sole discretion, to revise this Contract in order to take into account actions and events affecting CDBG program funding. In the event of a CDBG funding reduction by HUD, the County may, in its sole discretion, reduce the compensation amount of this Contract in whole or in part, or may limit the rate of the Operating Agency's use of both its uncommitted and its unspent funds. The Commission, through its Executive Director, or his designee, may act for the County in implementing and effecting such a reduction in the compensation amount of this Contract.

Where the Commission, through its Executive Director, or his designee, has reasonable grounds to question the fiscal accountability, financial soundness, or compliance with this Contract of the Operating Agency, the Commission, through its Executive Director, or his designee, may suspend this Contract for up to 60 days, upon three (3) days' notice to the Operating Agency pending an audit or other resolution of such questions. In no event, however, shall a revision made by the County affect expenditures and legally binding commitments made by the Operating Agency before it received notice of such revision, provided that such amounts have been committed in good faith and are otherwise allowable, that such commitments are consistent with HUD cash withdrawal guidelines, and that CDBG funds are available to the County to satisfy such expenditures or legally binding commitments.

23. PROGRAM INCOME. Program Income shall be returned monthly for the duration of this Contract. Upon termination of this Contract, the County reserves the right to determine the final disposition of any program income, as described in 2 CFR, Part 200, Subpart D 200.307 and 24 CFR 570.504, accumulated under the project(s) set forth in Exhibit A. Said disposition may include the County taking possession of said program income.
24. TIME OF PERFORMANCE MODIFICATIONS. The Executive Director, or his designee, may grant time of performance modifications to this Contract when such modifications:
 - a. Are specifically requested by the Operating Agency;
 - b. Will not change the project goals or scope of services;
 - c. Are in the best interests of the County and the Operating Agency in performing the scope of services under this Contract;

- d. Do not alter the total amount of compensation under this Contract; and
 - e. Are in writing prior to expenditures being made.
25. JOINT FUNDING. For projects in which there are sources of funds in addition to CDBG funds, the Operating Agency shall provide proof of such other funding upon request. The County shall not pay for any costs incurred by the Operating Agency, which are funded by other sources. All restrictions and/or requirements provided for in this Contract, relative to accounting, budgeting, and reporting, apply to the total project regardless of funding source. Separate financial records shall be kept for each funding source and program.
26. INDEPENDENT CONTRACTOR. Both parties hereto in the performance of this Contract will be acting in an independent capacity and not as agents, employees, partners, joint venture partners, or associates of one another. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever, including workers' compensation liability. The Operating Agency shall bear the sole responsibility and liability for furnishing workers' compensation benefits to any person for injuries arising from or connected with services performed on behalf of the Operating Agency pursuant to this Contract.
27. USE OF FUNDS. All funds approved under this Contract shall be used solely for costs approved in the project budget(s) for the ATI(s) under this Contract. Contract funds shall not be used as a cash advance between contracts, as security to guarantee payments for any non-program obligations, or as loans for non-program activities. Separate financial records shall be kept for such funding source(s) and program.
28. DISALLOWED COSTS. If the Operating Agency has failed to return unexpended funds or funds spent for disallowed costs related to any CDBG contract it has with the County, the County may withhold and offset payments to be made to the Operating Agency under this Contract.
29. ASSIGNMENT. The Operating Agency may not assign or subcontract any portion of this Contract without the express written consent of the County. Any attempt by the Operating Agency to assign or subcontract any performance of the terms of this Contract shall be null and void and shall constitute a material breach of this Contract, upon which the County may immediately terminate this Contract through the Executive Director.
30. SUBCONTRACTING. The requirements of this Contract may not be subcontracted by the Operating Agency without compliance of procurement standards and methods as outlined in 2 CFR Part 200 Subpart D Sections 200.318-200.326. Any attempt by the Operating Agency to subcontract without adherence to Federal regulations as required by the County may be deemed a material breach of this Contract.

If the Operating Agency desires to subcontract, the Operating Agency shall provide the following information promptly at the County's request:

- A description of the work to be performed by the Subcontractor;
- A draft copy of the proposed subcontract; and
- Other pertinent information and/or certifications requested by the County.

The Operating Agency shall indemnify and cause the subcontractor(s) to indemnify and hold the County harmless with respect to the activities of each and every subcontractor in the same manner and to the same degree as if such subcontractor(s) were the Operating Agency's employees.

The Operating Agency shall remain fully responsible for all performances required of it under this Contract, including those that the Operating Agency has determined to subcontract, notwithstanding the County's approval of the Operating Agency's proposed subcontract.

The Operating Agency shall address administrative, contractual, or legal remedies for all contracts in instances where subcontractors violate or breach contract terms. The Operating Agency must provide sanctions and penalties as appropriate.

The County's consent to subcontract shall not waive the County's right to prior and continuing approval of any and all personnel, including subcontractor employees, providing services under this Contract. The Operating Agency is responsible to notify its subcontractors of this County right.

The Commission's Executive Director, or his designee, is authorized to act for and on behalf of the County with respect to approval of any subcontract and subcontractor employees. After approval of the subcontract by the Commission, the Operating Agency shall forward a fully executed subcontract to the County for their files.

The Operating Agency shall be solely liable and responsible for all payments or other compensation to all subcontractors and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding the County's consent to subcontract.

The Operating Agency shall obtain and maintain on site certificates of insurance, which establish that the subcontractor maintains all the programs of insurance required by the County from each approved subcontractor. The County may request copies of the certificates and endorsements required herein at any time. Failure by the Operating Agency to comply with the County's request may be deemed by the County as a material breach of this Contract.

31. AMENDMENTS/VARIATIONS. This writing, with attachments, embodies the whole of the agreement of the parties hereto. No oral agreement shall be binding upon the parties unless expressly stated herein. Except as provided herein, any addition to or variation of the terms of this Contract shall not be valid unless made in the form of a written amendment of this Contract formally approved and executed by both parties. All Amendments must be received by the County no more than 60 calendar days from the expiration date of this Contract.

32. NOTICES. All notices shall be served in writing. The notices to the Operating Agency shall be sent to the following address:

«Agency_Name»
«Street_Address»
«City», «State» «Zip»

Notices, reports, and statements to the County shall be personally delivered or sent via First Class U.S. mail to the Executive Director, or his designee, at:

Community Development Commission of the County of Los Angeles
Community Development Division – Grants Management Unit
700 W. Main Street
Alhambra, California 91801

Each party shall promptly notify the other of any change in its mailing address.

33. WARRANTY OF AUTHORITY. The undersigned signatory for the Operating Agency covenants, warrants, and guarantees that he/she is empowered and authorized to sign this Contract on behalf of Operating Agency in accordance with the terms and conditions stated herein.

34. REVERSION OF ASSETS. Upon expiration or termination of this Contract, the Operating Agency shall immediately transfer to the County any remaining CDBG funds on hand at the time of expiration or termination and any accounts receivable attributable to the use of CDBG funds. Any real property under the Operating Agency's ownership or possession that was acquired or improved in whole or in part with CDBG funds in excess of \$25,000 shall be either:

- a. Used to meet one of the national objectives in 24 CFR Section 570.208 for five (5) years following the close-out of the CDBG grant from which assistance to the property was provided after expiration of this Contract (24 CFR Section 570.505), or such longer period of time as may be specified in the Exhibit A; or
- b. Disposed of in a manner, which results in the County being reimbursed in the amount of the current market value of the property less any portion thereof attributable to expenditures of non-CDBG funds for acquisition of, or

improvement to, the property. Such reimbursement is not required after the period of time and under the conditions specified in subparagraph a. above.

The Operating Agency shall maintain the use of the real property and documentation verifying compliance with the national objective for a period of five (5) years after closeout of this project. The Operating Agency must submit to the County a completed certification form verifying that the real property is used exclusively for the eligible use and purpose as provided in the Exhibit A. This form shall be submitted on an annual basis, when requested, beginning in year two (2) and for a period of five (5) years after closeout of the project. In case of a change of use or disposition, the County must be reimbursed for the market value of the property at the time of disposition, or proceeds from the sale, less the pro rata share of expenditures made with non-CDBG funds to acquire or improve the property.

35. CERTIFICATION PROHIBITING USE OF EXCESSIVE FORCE. In accordance with Section 519 of Public Law 101-144, the undersigned certifies, to the best of the Operating Agency's knowledge and belief that it has adopted and is enforcing:
- a. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
 - b. A policy of enforcing applicable State and local laws against individuals physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.
36. DRUG-FREE WORKPLACE. The Operating Agency agrees to provide a drug-free workplace by:
- a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Operating Agency's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - b. Establishing an ongoing drug-free awareness program to inform employees about –
 - i. The dangers of drug abuse in the workplace;
 - ii. The Operating Agency's policy of maintaining a drug-free workplace;
 - iii. Any available drug counseling, rehabilitation, and employee assistance programs; and

- iv. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- c. Making it a requirement that each employee, to be engaged in the performance of the grant, be given a copy of the statement required by paragraph a. of this Section 36;
- d. Notifying the employee in the statement required by paragraph a. of this Section 36 that, as a condition of employment under the grant, the employee will -
 - i. Abide by the terms of the statement; and
 - ii. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five (5) calendar days after such conviction;
- e. Notifying the County in writing, within ten (10) calendar days after receiving notice under subparagraph d.(ii.) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- f. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph d.(ii.), with respect to any employee who is so convicted -
 - i. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - ii. Requiring such an employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency; and
- g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs a, b, c, d, e, and f.

37. RESIDENTIAL ANTIDISPLACEMENT AND RELOCATION ASSISTANCE PLAN. Section 104(d) of the Housing and Community Development Act of 1974, also known as the Barney Frank Amendment, requires relocation assistance for displaced low-income families and requires one-for-one replacement of

low/moderate income dwelling units that are demolished or converted to other use. When CDBG funds are used in a project, including financing for rehabilitation, or project delivery costs, Section 104(d) is triggered. CDBG Regulations further describe the requirements under 24 CFR Section 570.606 Displacement, Relocation, Acquisition, and Replacement of Housing.

The Operating Agency must adopt and make public a Residential Antidisplacement and Relocation Assistance Plan as part of its administrative requirements to HUD. Before the Operating Agency enters into a Contract committing it to provide funds for any activity that will directly result in the demolition, or conversion to another use, of low/moderate-income dwelling units, it must make public and submit to HUD the information as described in Sections 24 CFR Sections 570.457; 570.496 (a); 570.606 (c); and 570.702 (f).

38. SECTION 3. In order to comply with the Housing and Urban Development Act of 1968, the Operating Agency and, where applicable, its contractor(s) and subcontractor(s) shall comply with Section 3 regulations as described in 24 CFR Part 135. Section 3 compliance activities of the Operating Agency and its contractor(s) and subcontractor(s) shall be governed by the Commission's Compliance Guidelines, as amended, which can be made available to the Operating Agency for inspection and copying upon request, if the Operating Agency does not already possess a copy.

- a. The work to be performed under this Contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low-and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

Section 3 covered assistance and thresholds apply to the following HUD assistance:

- i. Housing and Community Development assistance – Section 3 applies to training, employment, contracting, and other economic opportunities arising in connection with the expenditure of housing assistance (including Section 8 assistance, including other housing assistance not administered by the U.S. Assistant Secretary of housing); community development assistance that is used for housing rehabilitation (including abatement of lead based paint hazards, but excluding routine maintenance, repair and replacement; and other public construction); housing construction; and other public construction.

The threshold for Section 3 covered housing and community development assistance is \$200,000 or more. This threshold applies

to recipients of housing and community development program assistance for Section 3 covered programs. The requirements of this section also apply to contractors and subcontractors performing work on Section 3 covered project(s) for which the amount of the assistance exceeds \$200,000, and the contract or subcontract exceeds \$100,000. If a recipient receives Section 3 covered housing or community development assistance in excess of \$200,000, but no contract exceeds \$100,000, then the Section 3 preference requirements apply only to the recipient.

Applicability of Section 3 to an entire project or activity funded with Section 3 assistance. The requirements of this section apply to an entire project or activity that is funded with Section 3 covered assistance, regardless of whether the activity is fully or partially funded with Section 3 covered assistance.

- b. The parties to this Contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this Contract, the parties to this Contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- c. The Operating Agency agrees to send to each labor organization or representative of workers with which the Contractor has a collective bargaining contract or other understanding, if any, a notice advising the labor organization or workers' representative of the Operating Agency's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin.
- d. The Operating Agency agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The Operating Agency will not subcontract with any subcontractor where the Operating Agency has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
- e. The Operating Agency will certify that any vacant employment positions, including training positions, that are filled (1) after the Operating Agency is

selected but before the Contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the Operating Agency's obligations under 24 CFR Part 135.

- f. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this Contract for default, and debarment or suspension from future HUD-assisted contracts.

- 39. COUNTY'S QUALITY ASSURANCE PLAN. The County will evaluate the Operating Agency's performance under this Contract on not less than an annual basis. Such evaluation will include assessing the Operating Agency's compliance with all Contract terms and performance standards. The Operating Agency's deficiencies, which the County determines are severe or continuing and that may place performance of the Contract in jeopardy, if not corrected, will be reported to the Board of Supervisors. The report will include improvement/corrective action measures taken by the County and the Operating Agency. If improvement does not occur consistent with the corrective measure, the County may terminate this Contract, or impose other penalties as specified in this Contract.
- 40. TERMINATION FOR IMPROPER CONSIDERATION (GRATUITIES). The County may, by written notice to the Operating Agency, immediately terminate the right of the Operating Agency to proceed under this Contract if it is found that improper consideration, in any form, was offered or given by the Operating Agency, either directly or through an intermediary, to any County officer, employee, or agent with the intent of securing the Contract or securing favorable treatment with respect to the award, amendment, or extension of the Contract or the making of any determinations with respect to the Operating Agency's performance pursuant to the Contract. In the event of such termination, the County shall be entitled to pursue the same remedies against the Operating Agency as it could pursue in the event of default by the Operating Agency.

The Operating Agency shall immediately report any attempt by the County officer or employee to solicit such improper consideration. The Report shall be made to the Executive Director of the Commission or the County Auditor-Controller's Employee Fraud Hotline 800-544-6861.

- 41. INSURANCE. The Commission, acting as an agent of the County, authorizes the Commission's Risk Manager to determine the requirements of the insurance policies to be procured and maintained by the Operating Agency with respect to its activities and obligations hereunder. Without limiting the Operating Agency's indemnification requirements as set forth in section 43 below, the Operating Agency shall provide and maintain at its own expense during the term of this Contract, a program of insurance satisfactory to the Commission's Risk Manager covering its operations hereunder, as specifically defined in Exhibit B to this

Contract, a copy of which is attached hereto and incorporated herein by this reference.

42. FAILURE TO PROCURE INSURANCE. Failure on the part of the Operating Agency to procure or maintain required insurance, pursuant to Exhibit B shall constitute a material breach of the Contract under which the County may immediately suspend or terminate this Contract or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith. All monies so paid by the County shall be repaid by the Operating Agency to the County upon demand or the County may offset the cost of the premiums against any monies due to the Operating Agency from the County.
43. INDEMNIFICATION. The Operating Agency (“Indemnitor”) shall indemnify, defend and hold harmless the Community Development Commission of the County of Los Angeles, Housing Authority of the County of Los Angeles, the County of Los Angeles, and each of their elected and appointed officers, officials, representatives, employees, successors, assigns, predecessors, lenders, accountants, attorneys, and agents (each an “Indemnitee”) from and against any and all liability, demands, damages, claims, causes of action, judgments, awards, expenses, and fees (including reasonable attorneys’, experts’ and consultants’ fees) including, but not limited to, claims for bodily injury, property damage, loss of income, pain and suffering, emotional and psychological distress, and death, that arises from, pertains to, or relates to (whether in whole or in part) the acts, errors, or omissions of Indemnitor, Indemnitor’s agent(s), representative(s), employee(s), or any third party with whom Indemnitor directly contracts with (or for whom Indemnitor is otherwise legally responsible for) in connection with the performance of Indemnitor’s obligations under this Contract (collectively, the “Indemnified Liabilities”). If Indemnitor is a “design professional” within the meaning of *Civil Code* § 2782.8, Indemnitor shall only be required to indemnify and defend Indemnitee to the extent that the claims arise from, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Indemnitor. Notwithstanding anything to the contrary, Indemnitor shall only be required to indemnify a particular Indemnitee to the extent that the Indemnified Liabilities was not caused by the sole negligence, active negligence or willful misconduct of that Indemnitee. Indemnitor agrees to require each and every third party with whom Indemnitor directly contracts with (or for whom Indemnitor is otherwise legally responsible for) to be considered an additional “Indemnitor” under this provision and to separately agree to indemnify, defend, and hold harmless each Indemnitee for the work, materials, and services provided by that third party as required under this provision. The parties intend for this provision to not violate any applicable laws (including *Civil Code* §§ 2782 *et. seq.*) and, to the fullest extent permitted by law, this provision shall be interpreted in such a manner. In the event of a conflict between this provision and any other provision in this Contract or any other contract between Indemnitor and Indemnitee, this provision shall govern. This provision shall survive the termination or expiration of the Contract and will continue to remain in full force and effect for ten years from substantial completion of Indemnitor’s services, work, or provision of materials, or until all applicable

statutes of limitations for the Indemnified Liabilities have expired, whichever is longer.

44. NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT. The Operating Agency shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the Federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015.

45. TERMINATION FOR CAUSE. This Contract may be terminated by the County upon written notice to the Operating Agency for just cause (failure to perform satisfactorily) with no penalties incurred by the County upon termination or upon the occurrence of any of the following events in a, b, or c:

- a. Should the Operating Agency fail to perform all or any portion of the work required to be performed hereunder in a timely manner or properly carry out the provisions of the Contract in their true intent and meaning, then in such case, notice thereof in writing will be served upon the Operating Agency, and should the Operating Agency neglect or refuse to provide a means for satisfactory compliance with this Contract and with the direction of the County within the time specified in such notice, the County shall have the power to suspend or terminate the operations of the Operating Agency in whole or in part.
- b. Should the Operating Agency fail within five (5) days to perform in a satisfactory manner, in accordance with the provisions of the Contract, or if the work to be done under said Contract is abandoned for more than three (3) days by the Operating Agency; then notice of deficiency thereof in writing will be served upon the Operating Agency.

Should the Operating Agency fail to comply with the terms of said Contract within five (5) days, upon receipt of said written notice of deficiency, the Executive Director of the Commission shall have the power to suspend or terminate the operations of the Operating Agency in whole or in part.

- c. In the event that a petition of bankruptcy shall be filed by or against the Operating Agency.

46. TERMINATION FOR CONVENIENCE. The County reserves the right to cancel this Contract for any reason at all upon 30 days' prior written notice to the Operating Agency. In the event of such termination, the Operating Agency shall be entitled to a prorated portion paid for all satisfactory work unless such termination is made for cause, in which event, compensation if any, shall be adjusted in such a termination.

47. REVENUE DISCLOSURE REQUIREMENT. Upon request, the Operating Agency shall file with the County a written statement listing all revenue received, or expected to be received, by the Operating Agency from all funding sources applied for, or expected to be applied for, to offset, in whole or in part, any of the costs incurred by the Operating Agency in conducting current or prospective projects or business activities, including, but not necessarily limited to, the project or business activity which is the subject of this Contract. Such statement shall reflect the name and a description of such business activity, the dollar amount of funding provided, or to be provided, by each and every funding source for each such project or business activity, and the full name and address of each funding source. The Operating Agency shall make available for inspection and audit to the County's representatives, upon request, at any time during the duration of this Contract, and for a period of five (5) years thereafter, all of its books and records relating to the operation of each project or business activity which is funded in whole or in part with all funding sources including the project(s) funded under this Contract, whether or not such monies are received through the County. All such books and records shall be maintained by the Operating Agency at a location in Los Angeles County.

Failure of the Operating Agency to comply with the requirements of this Section of this Contract shall constitute a material breach of this Contract upon which the County may immediately cancel, terminate, or suspend this Contract..

48. CONFLICT OF INTEREST. The Operating Agency, its agents and employees shall comply with all applicable Federal, State and County laws and regulations governing conflict of interest including, but not limited to, 2 CFR Part 200, Subpart B, 200.112, 24 CFR Part 570.611 and 24 CFR Part 85, Section 85.36(b). The Operating Agency agrees to incorporate the language found in this Section 48, CONFLICT OF INTEREST in contracts using CDBG funds and subject to compliance with conflict of interest Federal, State and County laws.

The general rule shall be that no person described in the *Persons covered* section below of this Section 48, CONFLICT OF INTEREST, who exercises, or has exercised any function or responsibilities with respect to CDBG activities, or who is in a position to participate in a decision making process or gain inside information with regards to such activities, may obtain a financial interest or benefit from a CDBG-assisted activity, or have a financial interest in any contract, subcontract, or agreement with respect to a CDBG-assisted activity, or with respect to the proceeds of the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for one year thereafter.

Persons covered – The conflict of interest provisions of this Section 48, CONFLICT OF INTEREST, shall apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the CDBG Operating Agency, or of any designated public agencies, or of any subrecipients that are receiving CDBG funds.

The Operating Agency represents, warrants, and agrees that to the best of its knowledge, it does not presently have, nor will it acquire during the term of this Contract, any interest direct or indirect, by contract, employment or otherwise, or as a partner, joint venture or shareholder (other than as a shareholder holding a one percent (1%) or less interest in publicly traded companies) or affiliate with any business or business entity that has entered into any contract, subcontract, or arrangement with the County or Commission. Upon execution of this Contract and during its term, as appropriate, the Operating Agency shall disclose in writing to the County any other contract or employment during the term of this Contract by any other persons, business, or corporation in which employment will or may likely develop a conflict of interest between the County's and/or Commission's interest and the interests of the third parties.

49. FINANCIAL CLOSE OUT PERIOD. The Operating Agency agrees to comply and complete all necessary financial close out procedures required by the County and, within a period of not more than 60 calendar days from the expiration date of this Contract. This time period will be referred to as the financial close out period. The County is not liable to provide reimbursement for any expenses or costs associated with this Contract after the expiration of the financial close out period. After the expiration of the financial close out period, those funds not paid to the Operating Agency under this Contract, if any, may be immediately reprogrammed by the Operating Agency into other eligible activities. The County may request a final financial audit for activities performed under this Contract at the expiration of the financial close out period.
50. NONEXPENDABLE PROPERTY. Nonexpendable property means leased or purchased tangible personal property, included, but not limited to a vehicle, office equipment, etc. having a useful life of more than one (1) year and an acquisition cost of \$5,000 or more per unit. Nonexpendable property shall also include, but not limited to real property, and any interest in real property (including any mortgage or other encumbrance of real property).

Any utilization of funds derived from the sale or disposition of nonexpendable property must have prior approval of the County and otherwise comply with all applicable laws and regulations. In the event that the Contract is terminated, the County reserves the right to determine the final disposition of said nonexpendable property acquired for this project with CDBG funds, including funds derived there from. Said disposition may include taking possession of said nonexpendable property.

The Operating Agency shall maintain up-to-date inventory records, listing all non-expendable property with an acquisition cost of \$5,000 or more that it has leased or purchased during the term of this Contract. The following items should be included in the list: description of property, serial or ID number, source of funds that purchased the item, including the Federal Award Identification Number (FAIN), which is B-18-UC-06-0505, owner of property, date of purchase, total cost,

percentage of cost paid with CDBG and/or other Federal monies, location, condition and use of property, date of disposal, sale price or method used to determine the current market value, name of the individual completing the inventory, and the date the inventory was taken or updated. The Operating Agency shall conduct a physical inventory of the nonexpendable property at least once a year, reconcile the inventory with its property records, and maintain these records for five years (5) after the termination or expiration of this Contract.

In the event there is a change of use or disposition of the property during the term of this Contract, except in the case of real property in excess of \$25,000, if the market value of the property is over \$5,000, the Operating Agency shall immediately pay to the County a pro-rata share of the current market value of the property, or proceeds from the sale. The pro-rata share shall be calculated by multiplying the current market value by the percentage of the purchase price paid with CDBG funds or program income.

If there is a residual inventory of unused supplies, upon termination or completion of the project or termination or expiration of this Contract, with a current aggregate market value exceeding \$5,000 and if the supplies are not needed for any other federally sponsored program(s) or project(s), the Operating Agency shall immediately pay the County for its pro rata share of the current aggregate market value or proceeds from the sale calculated at the percentage of the purchase price paid with CDBG funds. The Operating Agency shall obtain prior approval of the County and otherwise comply with all applicable laws and regulations prior to utilizing the supplies for any other federally sponsored program(s) or project(s).

51. PURCHASE OR LEASE OF NONEXPENDABLE PROPERTY. The Operating Agency may use its own documented procurement procedures which reflect applicable State and local laws and regulations, provided that procurement procedures conform to applicable Federal law and the standards identified in 2 CFR Part 200, Subpart D 200.318-200.326.

All procurement transactions must be conducted in a manner providing for full and open competition consistent with the standards of 2 CFR Part 200 Section 200.319 and Section 200.320, Methods of Procurement to be followed. Whenever possible, the Operating Agency must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used.

52. USE OF RECYCLED-CONTENT PAPER PRODUCTS. Consistent with the County Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Operating Agency agrees to use recycled-content paper to the maximum extent possible.
53. ARCHITECTURAL BARRIERS ACT AND THE AMERICANS WITH DISABILITIES ACT. The Architectural Barriers Act of 1968 (42 U.S.C. 4151-

4157) requires certain Federal and Federally-funded buildings and other facilities to be designed, constructed, or altered in accordance with standards that insure accessibility to, and use by, physically handicapped people. A building or facility designed, constructed, or altered with funds allocated or reallocated under this part after December 11, 1995, and that meets the definition of residential structure as defined in 24 CFR Section 40.2 or the definition of building as defined in 41 CFR Part 101, is subject to the requirements of the Architectural Barriers Act of 1968 (42 U.S.C. 4151-4157) and shall comply with the Uniform Federal Accessibility Standards (Appendix A to 24 CFR Part 40 for residential structures and Appendix A to 41 CFR Parts 101-19 for general type buildings). The Americans with Disabilities Act (42 U.S.C. Section 12131; 47 U.S.C. Sections 155.201, 218 and 225) (ADA) provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, State and local government services, and telecommunications. It further provides that discrimination includes a failure to design and construct facilities for first occupancy after January 26, 1993 that are readily accessible to and usable by individuals with disabilities. Further, the ADA requires the removal of architectural barriers and communication barriers that are structural in nature in existing facilities, where such removal is readily achievable—that is, easily accomplishable and able to be carried out without much difficulty or expense.

54. CONSTRUCTION\REHABILITATION PROJECTS. The Operating Agency shall submit a request to the County, to conduct a Contract and Labor Compliance File Review within 10 days from completion of construction/rehabilitation activities.
55. CONTRACTOR RESPONSIBILITY AND DEBARMENT. A responsible contractor is a contractor, consultant, vendor, or operating agency who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity, and experience to satisfactorily perform the Contract. It is the policy of the Commission, Housing Authority, and County to conduct business only with responsible contractors.
 - a. The Contractor is hereby notified that if the County acquires information concerning the performance of a Contractor on any CDBG contract, which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the Contract, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County, Commission, and/or Housing Authority contracts for a specified period of time, which generally will not exceed five (5) years, but may exceed five (5) years or be permanent if warranted by circumstances, and terminate any or all existing contracts the Contractor may have with the County, Commission, and/or Housing Authority.
 - b. The County may debar a contractor, consultant, or vendor, if the Board of Commissioners finds, in its discretion, that the contractor, consultant, or vendor has done any of the following: (1) violated any term of a contract with the Commission, Housing Authority, or County, or a nonprofit corporation

created by the Commission, Housing Authority, or County (2) committed any act or omission which negatively reflects on the its quality, fitness, or capacity to perform and abide by a contract with the Commission, Housing Authority, or County or any other public entity, or a nonprofit corporation created by the Commission, Housing Authority, or County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the Commission, Housing Authority, County, or any other public entity.

- c. If there is evidence that a Contractor may be subject to debarment, the County will notify the Contractor in writing of the evidence, which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
- d. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the County shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Commissioners.
- e. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Hearing Board.
- f. If a Contractor has been debarred for a period longer than five (5) years, that Contractor may, after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after the debarment was imposed; or (4) any other reason that is in the best interest of the County.
- g. The Contractor Hearing Board will consider a request for review of the debarment determination only where (1) the Contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at

least five (5) years; and (3) the request is in writing, states one or more of the ground for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of the debarment period or termination of the debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

- h. The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.
 - i. These terms shall also apply to subcontractors and sub consultants of County, Commission, or Housing Authority contractors, consultants, vendors and operating agencies.
- 56. COPELAND "ANTI-KICKBACK" ACT. The Operating Agency shall comply with the Copeland "Anti-Kickback" Act (18 U.S.C. 3145) as supplemented by Department of Labor regulations (29 CFR part3). These terms shall apply to construction contracts in excess of \$2,000 awarded to the Operating Agency, as well as contracts awarded to subcontractors and consultants
- 57. DAVIS-BACON ACT. The Operating Agency shall comply with the Davis-Bacon Act as amended, (40 U.S.C. 3141-3148), and as supplemented by the Department of Labor regulations (29 CFR part 5). These terms shall apply to construction contracts in excess of \$2,000 awarded to the Operating Agency, as well as contracts awarded to subcontractors and consultants. The prevailing wage requirements also apply to CDBG funded activities for the rehabilitation of residential property when the project contains eight (8) or more housing units at the construction site.
- 58. PATENT RIGHTS. The Operating Agency must adhere to Federal requirements and regulations relating to patent rights with respect to any discovery or invention which arises or is developed in the course of or under this contract.
- 59. OPERATING AGENCY'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM. The Operating Agency acknowledges that the County has established a goal of ensuring that all individuals who benefit financially from the County through contract are in compliance with their court-ordered child, family, and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers.

As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the Operating Agency's duty under this Contract to comply with all applicable provisions of the law, the Operating Agency warrants that it is now in compliance and shall during the term of this Contract maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or District Attorney Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

60. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM. Failure of the Operating Agency to maintain compliance with the requirements set forth in Section 59, OPERATING AGENCY'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM shall constitute a default by the Operating Agency under this Contract. Without limiting the rights and remedies available to the County under any other provision of this Contract, failure to cure such default within 90 days of notice by the Los Angeles County Child Support Services Department (CSSD) shall be grounds upon which the Executive Director, or his designee, may terminate this Contract pursuant to Section 45, Termination for Cause.
61. POST MOST WANTED DELINQUENT PARENTS LIST. The Operating Agency acknowledges that the County places a high priority on the enforcement of child support laws and the apprehension of child support evaders. The Operating Agency understands that it is the County's policy to voluntarily post a list entitled L.A's Most Wanted: Delinquent Parents poster in a prominent position at the Operating Agency's place of business. The CSSD will supply the Operating Agency with the poster to be used.
62. EMPLOYEES OF OPERATING AGENCY. *Workers' Compensation:* The Operating Agency understands and agrees that all persons furnishing services to the County pursuant to this Contract are, for the purposes of workers' compensation liability, employees solely of the Operating Agency. The Operating Agency shall bear sole responsibility and liability for providing workers' compensation benefits to any person for injuries arising from an accident connected with services provided to the County under this Contract.

Professional Conduct: The County does not and will not condone any acts, gestures, comments, or conduct from the Operating Agency's employees, agents or subcontractors which may be construed as sexual harassment or any other type of activities or behavior that might be construed as harassment. The County will properly investigate all charges of harassment by residents, employees, or agents of the County against any and all Operating Agency's employees, agents, or subcontractors providing services for the County. The Operating Agency assumes all liability for the actions of

the Operating Agency's employees, agents, or subcontractors and is responsible for taking appropriate action after reports of harassment are received by the Operating Agency.

63. NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW. The Operating Agency shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is available on the Internet at www.babysafela.org under the public information link for printing purposes.
64. OPERATING AGENCY'S ACKNOWLEDGMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW. The Operating Agency acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The Operating Agency understands that it is the County's policy to encourage all County Contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster in a prominent position at the Operating Agency's place of business. The Operating Agency will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The poster is available at www.babysafela.org/docs/poster_e.pdf.
65. PHOTOGRAPHS, FOOTAGE, AND OTHER MEDIA MATERIALS. The Operating Agency represents and warrants that all photographs, videos, DVD's, footage, magazines, and other media materials provided to the County are either public record or have been legally procured without invading the copyright, ownership, or privacy rights of any individual. Operating Agency further agrees to defend, hold harmless, and indemnify the County from any and all liability, as described in Section 43, Indemnification, arising from or related to the County's use of said photographs, videos, DVD's, footage, magazines, and other media materials.
66. OPERATING AGENCY'S WARRANTY OF COMPLIANCE WITH THE COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM. The Operating Agency acknowledges that the Commission has established a goal of ensuring that all individuals and businesses that benefit financially from the Commission through contract are current in paying their personal and real property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers. Unless the Operating Agency qualifies for an exemption or exclusion, the Operating Agency warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this Contract will maintain compliance, with the County's Defaulted Tax Program, found at Los Angeles County Ordinance No. 2009-0026 and codified at Los Angeles County Code, Chapter 2.206.

67. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH THE COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM. Failure of the Operating Agency to maintain compliance with the requirements set forth in Section 66, "OPERATING AGENCY'S WARRANTY OF COMPLIANCE WITH THE COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM" shall constitute default under this Contract. Without limiting the rights and remedies available to the Commission under any other provision of this Contract, failure of the Operating Agency to cure such default within ten (10) days of notice shall be grounds upon which Commission may suspend or terminate this contract pursuant to the County's Defaulted Property Tax Reduction Program found at Los Angeles County Ordinance No. 2009-0026 and codified at Los Angeles County Code, Chapter 2.206.

68. COMPLIANCE WITH COUNTY'S ZERO TOLERANCE HUMAN TRAFFICKING. Operating Agency acknowledges that the County has established a Zero Tolerance Trafficking Policy prohibiting the Operating Agency, or subcontractors approved under this contract from engaging in human trafficking.

If the Operating Agency, or a member (s) on the Operating Agency's staff is convicted of a human trafficking offense, the County shall require that the Operating Agency, or member of the Operating Agency's staff be removed immediately from performing services under this contract. The County will not be under any obligation to disclose confidential information regarding the offenses other than those required by law.

Disqualification of any member of the Operating Agency's staff pursuant to this section shall not relieve the Operating Agency of its obligation to complete all work in accordance with the terms and conditions of this Contract.

69. CLEAN AIR ACT. The Operating Agency must comply with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15). These terms shall apply to construction contracts in excess of \$100,000 awarded to the Operating Agency, as well as contracts awarded to subcontractors and consultants.

70. ENERGY POLICY AND CONSERVATION ACT. The Operating Agency must comply with mandatory standards and policies related to energy efficiency which are contained in the State Energy Conservation Plan issued in compliance with the Energy Policy and Conservation Act (Pub.L.94A 163, Stat.871).

71. ENTIRE CONTRACT. This Contract with attachments and any and all CDBG Bulletins, which the County may issue from time to time following the date of execution, constitute the entire understanding and agreement of the parties.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Contract to be subscribed by the Executive Director of the Community Development Commission, and the Operating Agency has subscribed the same through its duly authorized officers, on the day, month and year first above written.

COUNTY OF LOS ANGELES

«CITY_NAME»
Operating Agency

By: _____
MONIQUE KING-VIEHLAND, Executive Director
Community Development Commission
of the County of Los Angeles

By: _____
Title: _____

APPROVED AS TO FORM:

MARY C. WICKHAM
County Counsel

APPROVED AS TO PROGRAM:

MONIQUE KING-VIEHLAND, Executive Director
Community Development Commission
of the County of Los Angeles

By: _____
Deputy

By: _____
Director, Community Development Division

**COUNTY OF LOS ANGELES
EMERGENCY SOLUTIONS GRANT PROGRAM
ADVANCE CONTRACT**

PROJECT TITLE: «Project_Name»

PROJECT NUMBER: «Project_No»

CONTRACT NUMBER: «Contract_No»

THIS CONTRACT is made and entered into this «Day» day of «Month», by and between the County of Los Angeles, hereinafter called the "County," acting by and through the Community Development Commission of the County of Los Angeles, hereinafter called the "Commission," and the Los Angeles Homeless Services Authority, hereinafter called the "Operating Agency."

WITNESSETH THAT:

WHEREAS, the County has entered into a Contract with the United States of America, through its Department of Housing and Urban Development (HUD), to execute the County's Emergency Solutions Grant (ESG) Program, which includes this project, under the McKinney-Vento Homeless Assistance Act of 1987, as amended by S.896 The Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009, hereinafter called the "Act"; and

WHEREAS, the Operating Agency desires to participate in said program and is qualified by reason of experience, preparation, organization, staffing and facilities to provide services.

NOW, THEREFORE, in consideration of the mutual covenants herein set forth and the mutual benefits to be derived there from, the parties agree as follows:

1. CONTRACT. This Contract consists of this document and attachments: Exhibit A, Project Description and Activity Budget, and Exhibit B, Insurance Requirements.
2. CONTRACT ADMINISTRATION. The Commission, through its Executive Director, or his designee, shall have full authority to act for the County in the administration of this Contract consistent with the provisions contained herein.
3. SCOPE OF SERVICES. The Operating Agency is to perform all the services set forth in the Exhibit A, Project Description and Activity Budget, to this Contract, a copy of which is attached hereto and incorporated herein by this reference.
4. TIME OF PERFORMANCE. Said services of the Operating Agency are to commence on the date first above written, and shall be completed no later than «EndDate».

5. COMPENSATION AND METHOD OF PAYMENT. For performance of such services, the Commission will pay the Operating Agency an amount of money not exceeding the sum of «Budget» «**Budget_Amount**», which payment shall constitute full and complete compensation for the Operating Agency's services under this Contract. Said compensation shall be paid by the Commission out of ESG funds received from the Federal government under the Act for allowable costs actually incurred and paid for the express purposes specified. The parties understand and agree that such payment, if any, shall be conditioned upon receipt of ESG funds by the Commission from the Federal government for purposes of this Contract and, should said funds be inadequate, shall not be a charge on any other funds of the County or the Commission. Funds shall be paid only after submittal of the electronic payment request form. This payment request form must be submitted on a minimum of a monthly basis as specified and provided by the Commission. Said payment request shall give the total of said cash expenses paid and shall also itemize the same in detail conforming to the budget required by Section 6 of this Contract. After timely submittal and approval of each payment request form, the Commission will disburse funds in favor of the Operating Agency in the approved amount. In the event that the Operating Agency requests an advance for the prospective month, it must be submitted by the established deadline and supported by the required documentation. The payment of advances to the Operating Agency will be in compliance with the Commission's procedures and 2 CFR Part 200, Subpart D Section 200.305 Payment. If Operating Agency received an advance for the prior month and does not expend all of the funds received pursuant to these requirements, the Commission shall deduct the excess funds from the current month's advance and may discontinue the payment of advances.

The Operating Agency shall have no claim against the County or Commission for payment of any money whatsoever, for any service provided by the Operating Agency after the expiration, or other termination of this Contract. Should the Operating Agency receive any such payment, it shall immediately notify the Commission and immediately repay all such funds to the Commission. Payment by the Commission for services rendered after expiration and/or termination of this Contract shall not constitute a waiver of the Commission's right to recover such payment from the Operating Agency. This provision shall survive the expiration or other termination of this Contract.

6. BUDGET SECTION. No more than the amounts specified in the Exhibit A, Project Description and Activity Budget, which is attached hereto, and incorporated herein by this reference in Section 3, may be spent for the separate cost categories specified in Exhibit A without written approval of the County.
7. SOURCE AND APPROPRIATION OF FUNDS. The County's obligation is payable only and solely from funds appropriated through HUD and, for the purpose of this Contract. All funds are appropriated every fiscal year beginning July 1. In the event that this Contract extends into succeeding fiscal years and funds have not been appropriated, this Contract will automatically terminate as of June 30 of the current

fiscal year. The County will endeavor to notify the Operating Agency in writing within ten (10) days of receipt of the non-appropriation notice.

8. **AFFIRMATIVE ACTION.** The Operating Agency shall make every effort to ensure that all projects funded wholly or in part by ESG funds shall provide equal employment and career advancement opportunities for minorities and women. In addition, the Operating Agency shall make every effort to employ residents of the area, and to the maximum extent practicable, homeless individuals and families in constructing, renovating, maintaining and operating facilities assisted under the ESG Program. The Operating Agency shall keep a record of the positions that have been created directly as a result of this project.
9. **COMPLIANCE WITH LAWS.** All parties agree to be bound by applicable Federal, State, and local laws, ordinances, regulations, and directives as they pertain to the performance of this Contract. This Contract is subject to and incorporates the terms of the Act; 24 CFR, Part 576; 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Executive Order 12372; the County Auditor-Controller Contract Accounting and Administration Handbook; and all amendments or successor laws, regulations, or guidelines thereto (hereinafter called the "Laws, Regulations and Guidelines"). The Operating Agency has, and shall maintain, copies of the Laws, Regulations and Guidelines. Furthermore, the Operating Agency acknowledges that it has read and understands the Laws, Regulations and Guidelines.

The Catalogue of Federal Domestic Assistance (CFDA) number assigned to the Emergency Solutions Grant Program is 14.231 and the Federal Award Identification Number (FAIN) assigned to the County for this program is E-18-UC-06-0505. The Federal Award date is effective July 1, 2018, and is authorized upon signature of the designated HUD Official.

The Operating Agency is required by the County to register and maintain an active Unique Entity Identifier (also known as the Data Universal Numbering System (DUNS) number) in order to apply for, receive, implement and report on a Federally-funded program. Furthermore, the County certifies that that it has received and maintains an active Unique Entity Identifier number for each Agency.

The Operating Agency shall carry out each activity in compliance with all Federal laws and regulations as described in 24 CFR Part 576.57,, except that:

- a. The Operating Agency does not assume the County environmental responsibilities described at 24 CFR Part 576.57(e) and 24 Part 58.1; and
- b. The Operating Agency does not assume the County's responsibility for initiating the review process under Executive Order 12372.

The Operating Agency agrees to be bound by all applicable Federal, State, and local laws, regulations; and directives as they pertain to the performance of the Contract, including, but not limited to, Sections a-j below. This Contract is also subject to and incorporates the terms of the HEARTH Act of 2009, 24 CFR Part 576 and 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

- a. The Operating Agency shall comply with the Civil Rights Act of 1964, Title VI, which provides that no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.
- b. The Operating Agency shall comply with Section 109 of the Housing and Community Development Act of 1974, which states that no person in the United States shall, on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.
- c. The Operating Agency shall comply with the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, which require that no person in the United States shall be excluded from participating in, denied the benefits of, or subject to discrimination under this Contract on the basis of age or with respect to an otherwise qualified disabled individual.
- d. The Operating Agency shall comply with 24 CFR Part 5, including non-discrimination and equal opportunity requirements at 24 CFR 5.105(a). Furthermore, the Operating Agency shall comply with 24 CFR Parts 5 and 203, which prohibit discrimination in HUD-funded programs based upon sexual orientation or gender identity. The rule precludes owners and operators of HUD-assisted housing or housing who's financing is insured by HUD from inquiring about the sexual orientation or gender identity of an applicant or occupant.
- e. The Operating Agency will ensure equal opportunity, in the award and performance of any contract, to all persons without regard to race, color, gender, sexual orientation, religion, national origin, ancestry, age, marital status, or disability.
- f. During the performance of this Contract, the Operating Agency agrees as follows:
 - i. The Operating Agency shall comply with Executive Order 11246 of September 24, 1965, titled, Equal Employment Opportunity,

later amended by Executive Order 11375 of October 13, 1967, and supplemented in Department of Labor Guidelines (41 CFR Part 60), which require that during the performance of this Contract, the Operating Agency will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Operating Agency will take affirmative action to ensure that applicants are employed, and that employees are treated fairly during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, promotion, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Operating Agency agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of the non-discrimination clause.

- ii. The Operating Agency will, in all solicitations or advertisements for employees placed by or on behalf of the Operating Agency, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- iii. The Operating Agency will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided by the Operating Agency's contracting officer advising the labor union or workers' representative of the Operating Agency's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- iv. The Operating Agency will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- v. The Operating Agency will furnish all information and reports required by the Executive Order and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the County and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

- vi. In the event that the Operating Agency is noncompliant with the non-discrimination clauses of this Contract, or with any of such rules, regulations, or orders, this Contract may be canceled, terminated, or suspended in whole or in part and the Operating Agency may be declared ineligible for further Government contracts in accordance with procedures authorized in the Executive Order or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by law.
- vii. The Operating Agency will include the provisions of these paragraphs in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of the Executive Order No. 11246 of September 24, 1965, that such provisions would be binding upon each subcontractor or vendor. The Operating Agency will take such actions with respect to any subcontract or purchase order as the County may direct as a means of enforcing such provisions including sanctions for noncompliance, provided, however, that in the event the Operating Agency becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of such direction by the County, the Operating Agency may request the United States to enter into such litigation to protect the interests of the United States.
- g. The Operating Agency shall comply with Executive Order 13166, titled "Improving Access to Services by Persons with Limited English Proficiency." Executive Order 13166 requires that Federally assisted agencies make reasonable efforts to provide language assistance to ensure meaningful access for Limited English Proficiency (LEP) persons to the agency's programs and activities. HUD guidelines on LEP were published in the Federal Register on January 22, 2007, and were effective February 21, 2007. These guidelines should be applied to Federally-subsidized housing, programs, and other services which may be contracted out to other contractors.
- h. Should the Contractor require additional or replacement personnel after the effective date of this Contract, the Contractor shall give first consideration for any such employment openings to participants who meet the Contractor's minimum qualifications for the open position from the County's ESG Program, and secondly, from the County Department of Public Social Services' Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program. The Operating Agency shall contact the County's GAIN and GROW Programs at (562) 908-6858 for a list of GAIN/GROW participants by job category.

- i. The Operating Agency is prohibited by the Department of Interior and Related Agencies Appropriations Act, known as the Byrd Amendments, and HUD's 24 CFR 87, from using Federally-appropriated funds for the purpose of influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, loan, or cooperative Contract, and any extension, continuation, renewal, amendment, or modification of said documents.

Should the Operating Agency or persons/subcontractors acting on behalf of the Contract fail to fully comply with the Federal Lobbyist Requirements, civil penalties shall result.

- j. The Operating Agency and each County lobbyist or County lobbyist firm, as defined in Los Angeles County Code Chapter 2.160 (County Ordinance 93-0031), retained by the Operating Agency, shall fully comply with the requirements as set forth in said County Code.

10. LOBBYING CERTIFICATIONS. With regard to the certification for contracts, grants and loans, the undersigned certify to the best of their knowledge and belief, that:

- a. The Operating Agency is familiar with the Los Angeles County Code Chapter 2.160 and assures the County that all persons acting on behalf of the Operating Agency will comply with the County Code.
- b. The Operating Agency is familiar with the Federal Lobbyist Requirements and assures the County that all persons and/or subcontractors acting on behalf of the Operating Agency will comply with the Federal Lobbyist Requirements.
- c. No Federally appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- d. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, or any

employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

- e. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including sub-contracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

- 11. TERMINATION FOR FAILURE TO COMPLY WITH FEDERAL AND COUNTY LOBBYIST REQUIREMENTS. Failure on the part of the Operating Agency and/or its Lobbyist(s) to fully comply with said Federal and County Lobbyist Requirements shall constitute a material breach of the Contract upon which the County may immediately terminate this Contract, and the Operating Agency shall be liable for any and all damages incurred by the County and/or any Federal agency as a result of such breach
- 12. CONFIDENTIALITY OF REPORTS. The Operating Agency shall keep confidential all reports, information, and data received, prepared, or assembled pursuant to performance hereunder. Such information shall not be made available to any person, firm, corporation, or entity without the prior written consent of the County. For any personal information obtained from Program participants, informed consents shall be obtained and the Operating Agency is responsible for fulfilling any requirements pertaining to and in compliance with the Homeless Management Information System (HMIS) Data and Technical Standards Final Notice (Federal Register/ Volume 69, No. 146/ Friday, July 30, 2004/Notices; Section 4. HMIS Privacy and Security Standards).
- 13. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT; AND ACCIDENT PREVENTION. The Operating Agency shall comply with the Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, contracts awarded in excess of \$100,000, that involve the employment of mechanics or laborers must include a provision in compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor Regulations (29 CFR Part 5).

The Operating Agency shall comply with all applicable Federal, State, and local laws governing safety, health, and sanitation. The Operating Agency shall provide all safeguard safety devices and protective equipment and take any other needed actions, as its own responsibility, as reasonably necessary to protect the life and health of employees on the job, the safety of the public, and to protect property in connection with the performance of this Contract.

14. SEVERABILITY. In the event that any provision herein contained is held to be invalid, void, or illegal by any court of competent jurisdiction, the same shall be deemed severable from the remainder of this Contract and shall in no way affect, impair or invalidate any other provision contained herein. If any such provision shall be deemed invalid due to its scope of breadth, such provision shall be deemed valid to the extent of the scope of breadth permitted by law.
15. INTERPRETATION. No provision of this Contract is to be interpreted for or against either part because that party or that party's legal representative drafted such provision, but this Contract is to be construed as if both parties drafted it hereto.
16. WAIVER. No waiver by the County of any breach of any provision of this Contract shall constitute a waiver of any other breach or of such provision. Failure of the County to enforce at any time, or from time to time, any provision of this Contract shall not be construed as a waiver thereof. The rights and remedies set forth in this section 16 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.
17. PROGRAM EVALUATIONS AND REVIEW. The County will monitor, evaluate and provide guidance to the Operating Agency in the performance of the ESG Program. Reviews will focus on the extent to which the planned ESG Program has been implemented and measurable goals achieved, effectiveness of the program management, and the impact of the program.

The Operating Agency shall make available for inspection during the term of this Contract, and for a period of five (5) years thereafter, its performance, financial and all other records pertaining to performance of this Contract to authorized County personnel, and allow said County personnel to inspect and monitor its facilities and program operations, including the interview of the Operating Agency staff and program participants, as required by the County.

The Operating Agency agrees to submit all data that are necessary for reporting purposes to HUD to complete the annual Consolidated Annual Performance and Evaluation Report (CAPER), and to monitor program accountability and progress in accordance with HUD requirements in the format and at the time designated by the Executive Director or his designee.

Failure of the Operating Agency to comply with the requirements of this Section

shall constitute a material breach of contract upon which the Commission, through its Executive Director or his designee, may cancel, terminate or suspend this Contract.

18. NONEXPENDABLE PROPERTY. Nonexpendable property means leased or purchased tangible personal property, included, but not limited to a vehicle, office equipment, etc. having a useful life of more than one (1) year and an acquisition cost of \$5,000 or more per unit. Nonexpendable property shall also include, but not limited to, real property, and any interest in real property (including any mortgage or other encumbrance of real property), and funds derived from the sale or disposition of nonexpendable property.

Any utilization of funds derived from the sale or disposition of nonexpendable property must have prior approval of the County and otherwise comply with all applicable laws and regulations. In case of the Contract's termination, the County reserves the right to determine the final disposition of said nonexpendable property acquired for this project with ESG funds, including funds derived therefrom. Said disposition may include taking possession of said nonexpendable property.

The Operating Agency shall maintain up-to-date inventory records, listing all non-expendable property items for which they are responsible. The following items should be included in the list: description of property, serial or ID number, source of funds that purchased the item (including the Federal Award Identification Number (FAIN), assigned to the County, which is E-18-UC-06-0505, property title holder, date of purchase, total cost, percentage of ESG and/or other Federal participation in the cost of the property, location, condition and use of property, date of disposal, sale price or method used to determine the current market value, name of the individual completing the inventory, and the date the inventory was taken or updated. The Operating Agency shall conduct a physical inventory of the nonexpendable property at least once a year, reconcile the inventory with its property records, and maintain these records for five years (5) after the expiration or termination of this contract.

In the event that there is a change of use or disposition, of the property during the term of the contract, and if the market value of the property is over \$5,000, the Operating Agency shall immediately pay the County the ESG pro-rata share of the current market value of the property, or proceeds from the sale. The pro-rata share shall be calculated by multiplying the current market value by the percentage of the purchase price paid with ESG funds or program income.

If there is a residual inventory of unused supplies, upon termination or completion of the project or termination or expiration of this Contract, with a then current aggregate market value exceeding \$5,000, and if the supplies are not needed for any other Federally sponsored program(s) or project(s), the Operating Agency shall immediately pay the County for its ESG pro-rata share. The Operating Agency shall obtain prior approval of the County and otherwise comply with all applicable

laws and regulations, prior to utilizing the supplies for another Federally sponsored program(s) or project(s).

19. **REVERSION OF ASSETS.** Upon the termination, or expiration of this Contract, the Operating Agency shall immediately transfer to the County any ESG funds on hand at the time of expiration and any accounts receivable attributable to the use of ESG funds. Any real property under the Operating Agency's control that was improved in whole or in part with ESG funds shall be treated as follows:

- a. As required by ESG regulations 24 CFR Part 576, Subpart B Section 576.102, any building renovated with ESG funds must be maintained as a shelter for homeless individuals and families for not less than a period of three (3) or ten (10) years, depending on the type of renovation and the value of the building. The “value of the building” is the reasonable monetary value assigned to the building, such as the value assigned by an independent real estate appraiser. The minimum use period must begin on the date the building is first occupied by a homeless individual or family after the completed renovation. A minimum period of use of 10 years, required for major rehabilitation and conversion, must be enforced by a recorded deed or use restriction;
- b. If the rehabilitation is major and the cost of an emergency shelter exceeds 75 percent of the value of the building before rehabilitation, the minimum period of use is ten (10) years;
- c. If the cost to convert a building into an emergency shelter exceeds 75 percent of the value of the building after conversion, the minimum period of use is ten (10) years.
- d. In all other cases where ESG funds are used for renovation, the minimum period of use is three (3) years.

20. **PURCHASE OR LEASE OF NONEXPENDABLE PROPERTY.** The Operating Agency may use its own documented procurement procedures which reflect applicable State and local laws and regulations, provided that procurement procedures conform to applicable Federal law and the standards identified in 2 CFR Part 200, Subpart D 200.318-200.326.

All procurement transactions must be conducted in a manner providing for full and open competition consistent with the standards of 2 CFR Part 200 Section 200.319 and Section 200.320, Methods of Procurement to be followed. Whenever possible, the Operating Agency must take all necessary affirmative steps to assure that minority businesses, women’s business enterprises, and labor surplus area firms are used.

21. ACCOUNTING. The Operating Agency must establish and maintain, on a current basis, an adequate accounting system in accordance with generally accepted accounting principles and standards, and the County Auditor Controller Contract Accounting and Administration Handbook. Regardless of the Operating Agency's method of accounting, expenses must be reported in accordance with Sections 5 and 45 of this Contract.
22. CHANGES. The County may, from time to time, request changes in the scope of services of the Operating Agency to be performed hereunder. Such changes, including any increase or decrease in the amount of the Operating Agency's compensation, which are agreed upon by and between the County and the Operating Agency, shall be incorporated into this Contract by written amendments.
23. CHANGES IN GRANT ALLOCATION. The County reserves the right to reduce the grant allocation when the County's fiscal monitoring indicates that the Operating Agency's rate of expenditure will result in unspent funds at the end of the program year. Changes in the grant allocation will be made after consultation with the Operating Agency. Such changes shall be incorporated into this Contract by written amendments.
24. CITIZEN PARTICIPATION. All program data necessary to provide reports to citizens will be made available by the Operating Agency. Discussions will be held often enough so that the Operating Agency will be adequately appraised of citizen recommendations during the course of the program. The Operating Agency representatives shall be available to respond to questions and receive recommendations at local meetings when so requested by the Executive Director or his designee.
25. REVENUE DISCLOSURE REQUIREMENT. Upon request, the Operating Agency shall file with the County a written statement listing all revenue received, or expected to be received, by the Operating Agency from all funding sources applied for, or expected to be applied for, to offset, in whole or in part, any of the costs incurred by the Operating Agency in conducting current or prospective projects or business activities, including, but not necessarily limited to, the project or business activity which is the subject of this Contract. Such statement shall reflect the name and a description of such business activity, the dollar amount of funding provided, or to be provided, by each and every funding source for each such project or business activity, and the full name and address of each funding source. The Operating Agency shall make available for inspection and audit to the County's representatives, upon request, at any time during the duration of this Contract, and for a period of five (5) years thereafter, all of its books and records relating to the operation of each project or business activity which is funded in whole or in part with all funding sources including the project(s) funded under this Contract, whether or not such monies are received through the County. All such books and records shall be maintained by the Operating Agency at a location in Los Angeles County.

Failure of the Operating Agency to comply with the requirements of Section 25 of this Contract shall constitute a material breach of contract upon which County may immediately cancel, terminate or suspend this Contract through its Executive Director.

26. JOINT FUNDING. For projects in which there are sources of funds in addition to ESG funds, the Operating Agency shall provide proof of such funding upon request. The County shall not pay for any services provided by the Operating Agency which are funded by other sources. All restrictions and/or requirements provided for in this Contract, relative to accounting, budgeting and reporting, apply to the total project regardless of funding source.
27. ASSURANCES. The Operating Agency hereby assures and certifies that it has complied with the Act, applicable regulations, policies, guidelines and requirements, 2 CFR Part 200, and that it will comply with all applicable Federal, State and local laws and regulations as they relate to acceptance and use of Federal funds for this Federally assisted program. Also, the Operating Agency gives assurance and certifies with respect to the project specified in the Exhibit A, that it will comply with all of the provisions of 24 CFR Part 576.303, which pertain to assurances of program applicants. Furthermore, the Operating Agency gives assurance and certifies that it will comply with the provisions of 41 CFR Part 60-1.4 and 24 CFR Part 135.20, each of which is incorporated herein by this reference. The Operating Agency further assures and certifies that it will comply with any further amendments or changes to said required assurances and certifications that during the term of this Contract it will maintain current copies of said assurances and certifications at the address specified below.
28. NOTICES. All notices shall be served in writing. The notices to the Operating Agency shall be sent to the following address:

«Agency_Name»
«Street_Address»
«City», «State» «Zip»

Notices, reports and statements to the County shall be delivered or sent to the Executive Director, or his designee, at:

Community Development Commission of the County of Los Angeles
Community Development Division – Grants Management Unit
700 W. Main Street
Alhambra, California 91801

Each party shall promptly notify the other of any change in its mailing address.

29. ASSIGNMENT. The Operating Agency may not assign or subcontract any portion of this Contract without the express written consent of the County. Any attempt by the Operating Agency to assign or subcontract any performance of the terms of this Contract shall be null and void and shall constitute a material breach of this Contract, upon which the County may immediately terminate this Contract through the Executive Director or his designee.
30. SUBCONTRACTING. The requirements of this Contract may not be subcontracted by the Operating Agency without compliance of procurement standards and methods as outlined in 2 CFR, Part 200, Subpart D Sections 200.318-200.326. Any attempt by the Operating Agency to subcontract without adherence to Federal Regulations as required by the County may be deemed a material breach of this Contract.

If the Operating Agency desires to subcontract, the Operating Agency shall provide the following information promptly at the County's request:

- A description of the work to be performed by the subcontractor;
- A draft copy of the proposed subcontract; and
- Other pertinent information and/or certifications requested by the County.

The Operating Agency shall indemnify and hold the Public Agencies, as defined in Section 44 below, harmless with respect to the activities of each and every subcontractor in the same manner and to the same degree as if such Subcontractor(s) were the Operating Agency's employees.

The Operating Agency shall remain fully responsible for all performances required of it under this Contract, including those that the Operating Agency has determined to subcontract, notwithstanding the County's approval of the Operating Agency's proposed subcontract.

The Operating Agency shall address administrative, contractual, or legal remedies for all contracts in instances where subcontractors violate or breach contract terms. The Operating Agency must provide sanctions and penalties as appropriate.

The County's consent to subcontract shall not waive the County's right to prior and continuing approval of any and all personnel, including subcontractor employees, providing services under this Contract. The Operating Agency is responsible to notify its subcontractors of this County right.

The Commission's Executive Director or his designee is authorized to act for and on behalf of the County with respect to approval of any subcontract and subcontractor employees. After approval of the subcontract by the Commission, the Operating Agency shall forward a fully executed subcontract to the County for their files.

The Operating Agency shall be solely liable and responsible for all payments or other compensation to all subcontractors and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding the County's consent to subcontract.

The Operating Agency shall obtain and maintain on site certificates of insurance, which establish that the subcontractor maintains all the programs of insurance required by the County from each approved subcontractor. The County may request copies of the certificates and endorsements required herein at any time. Failure by the Operating Agency to comply with the County's request may be deemed by the County as a material breach of this contract.

31. NOTICE OF FEDERAL EARNED INCOME CREDIT. The Operating Agency shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the Federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015.
32. FISCAL LIMITATIONS. The United States of America, through HUD, may in the future place programmatic or fiscal limitation(s) on ESG funds. Accordingly, the County reserves the right, in its sole discretion, to revise this Contract in order to take into account actions affecting HUD program funding. In the event of an ESG funding reduction by HUD, the County may, in its sole discretion, reduce the compensation amount of this Contract in whole or in part, or may limit the rate of the Operating Agency's use of both its uncommitted and its unspent funds. The Executive Director, or his designee, may act for the County in implementing and effecting such a reduction in the compensation amount of this contract.

Where the Executive Director, or his designee, has reasonable grounds to question the fiscal accountability, financial soundness, or compliance with this Contract of the Operating Agency, the Executive Director, or his designee, may act for the County in suspending the operation of this Contract for up to 60 days, upon three (3) days' notice to the Operating Agency, pending an audit or other resolution of such questions. In no event, however, shall a revision made by the County affect expenditures and legally binding commitments made by the Operating Agency before it received notice of such a revision, provided that such amounts have been committed in good faith and are otherwise allowable, that such commitments are consistent with HUD cash withdrawal guidelines, and that ESG funds are available to the County to satisfy such expenditures or legally binding commitments.

Program Income shall be tracked and used in accordance with 2 CFR, Part 200, Subpart D 200.307 and 24 CFR 576.407 (c) and 24 CFR 576.201 (f). Upon termination of this Contract, the Commission reserves the right to determine the final disposition of any program income as described in these regulations. Said disposition may include the Commission taking possession of said program income.

33. USE OF FUNDS FOR ENTERTAINMENT, MEALS OR GIFTS. The Operating Agency certifies and agrees that it will not use funds provided through this Contract to pay for entertainment, meals or gifts.
34. CONFLICT OF INTEREST. The Operating Agency, its agents, and employees shall comply with all applicable Federal, State and County laws and regulations governing conflict of interest including, but not limited to, 24 CFR Part 576.404 and 2 CFR Part 200, Subpart D, Sections 200.318-200.326. The Operating Agency agrees to incorporate the language found in this Section 34, CONFLICT OF INTEREST in contracts using ESG funds and subject to compliance with conflict of interest Federal, State and County laws.

Organizational Conflict of Interest - The provision of any type or amount of ESG assistance may not be conditioned on an individual's or family's acceptance or occupancy of emergency shelter or housing owned by the recipient, the subrecipient, or a parent or subsidiary of the subrecipient. No subrecipient may, with respect to individuals or families occupying housing owned by the subrecipient, or any parent or subsidiary of the subrecipient, carry out the initial evaluation required under 24 CFR Part 576.401 or administer homelessness prevention assistance under 24 CFR Part 576.1038.

Individual Conflicts of Interest - For the procurement of goods and services, the recipient and its subrecipients must comply with the codes of conduct and conflict of interest requirements under 2 CFR Part 200, Subpart D, Sections 200.318-200.326.

The general rule shall be that no person described in the *Persons covered* section below of this Section 34, CONFLICT OF INTEREST, who exercises, or has exercised any function or responsibilities with respect to ESG activities, or who is in a position to participate in a decision making process or gain inside information with regards to such activities, may obtain a financial interest or benefit from an ESG-assisted activity, or have a financial interest in any contract, subcontract, or agreement with respect to a ESG-assisted activity, or with respect to the proceeds of the ESG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for one (1) year thereafter.

Persons covered – The conflict of interest provisions of this Section 34, CONFLICT OF INTEREST, shall apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the ESG Operating Agency, or of any designated public agencies, or of any subrecipients that are receiving ESG funds.

The Operating Agency represents, warrants and agrees that to the best of its knowledge, it does not presently have, nor will it acquire during the term of this Contract, any interest direct or indirect, by contract, employment or otherwise, or as a partner, joint venture or shareholder (other than as a shareholder holding a one

percent (1%) or less interest in publicly traded companies) or affiliate with any business or business entity that has entered into any contract, subcontract or arrangement with the County or Commission. Upon execution of this Contract and during its term, as appropriate, the Operating Agency shall, disclose in writing to the County any other contract or employment during the term of this Contract by any other persons, business or corporation in which employment will or may likely develop a conflict of interest between the County's and/or Commission's interest and the interests of the third parties.

35. BUDGET MODIFICATIONS. The Executive Director or his designee, who shall be a Division Director or higher, may grant budget modifications to this Contract for the movement of funds between the budget categories identified in the Exhibit A, when such modifications:

- a. Are specifically requested by the Operating Agency;
- b. Will not change the project goals or scope of services;
- c. Are in the best interest of the County and the Operating Agency in performing the scope of services under this Contract;
- d. Do not alter the amount of compensation under this Contract; and
- e. Are in writing prior to expenditures being made.

36. AUDITS. The Operating Agency's program will be audited in accordance with the County's policy and funding source guidelines. Audits may also be conducted by Federal, State or local funding source agencies. The County or its authorized representatives shall, at all times during the term of this Contract, and for a period of five (5) years thereafter, have access, for the purpose of audit or inspection, to any and all books, documents, papers, records, property, and premises of the Operating Agency. The Operating Agency's staff will cooperate fully with authorized auditors when they conduct audits and examinations of the Operating Agency's program. A financial audit of the Operating Agency's performance under this Contract shall be conducted at the County's discretion. If indications of misappropriation or misapplication of the funds of this Contract cause the County to require a special audit, the cost of the audit will be encumbered and deducted from this Contract's budget.

Failure of the Operating Agency to comply with the requirements of this Section shall constitute a material breach of contract upon which the Executive Director or his designee may cancel, terminate or suspend this Contract.

37. AUDIT EXCEPTIONS BY STATE AND FEDERAL AGENCIES. The Operating Agency agrees that in the event the program established hereunder is subject to audit exceptions by appropriate State and Federal audit agencies, it shall be responsible for complying with such exceptions and paying the County the full amount of the County's liability to the funding agency resulting from such audit exceptions.

38. INDEPENDENT CONTRACTOR. Both parties hereto in the performance of this Contract will be acting in an independent capacity and not as agents, employees, partners, joint ventures or associates of one another. The employees or agents of one party shall not be deemed or construed to be the agents or employees of the other party for any purpose whatsoever, including workers' compensation liability. The Operating Agency shall bear the sole responsibility and liability for furnishing workers' compensation benefits to any person for injuries arising from or connected with services performed on behalf of the Operating Agency pursuant to this Contract.
39. AMENDMENTS/VARIATIONS. This writing, with attachments, embodies the whole of the agreement of the parties hereto. There are no oral agreements contained herein. Except as provided herein, any addition to or variation of the terms of this Contract shall not be valid unless made in the form of a written amendment of this Contract formally approved and executed by both parties.
40. ACQUISITION OF SUPPLIES AND EQUIPMENT. Following approval by the County for necessary supplies and equipment for Contract performance, the Operating Agency may purchase from a related agency/organization only if: (a) prior authorization is obtained in writing from the County, (b) no more than maximum prices or charges are made and no more than minimum specifications are met, as provided in writing by the County, (c) a community related benefit is derived from such Operating Agency related acquisition, and (d) no conflict of interest for private gain accrues to the Operating Agency or its employees, agents or officers.
41. MONITORING AND EVALUATION. The County will monitor, evaluate and provide guidance to the Operating Agency in the performance of this Contract. Authorized representatives of the County and HUD shall have the right of access to all activities and facilities operated by the Operating Agency under this Contract. Facilities include all files, records, and other documents related to the performance of this Contract. Activities include attendance at staff, board of directors, advisory committee and advisory board meetings, and observation of ongoing program functions. The Operating Agency will ensure the cooperation of its staff and board members in such efforts. The Executive Director, or his designee, may conduct program progress reviews. These reviews will focus on the extent to which the planned program has been implemented and measurable goals achieved, effectiveness of program management, and impact of the program.

Failure of the Operating Agency to comply with the requirements of this Section shall constitute a material breach of contract upon which the Executive Director, or his designee, may cancel, terminate or suspend this Contract.

42. INSURANCE. The Executive Director hereby authorizes the Commission's Risk Manager to determine the requirements of the insurance policy to be procured and maintained by the Operating Agency with respect to its activities and obligations

hereunder. Without limiting the Operating Agency's indemnification requirements as set for in Section 44 below, the Operating Agency shall provide and maintain at its own expense during the term of this Contract, a program of insurance satisfactory to the Commission's Risk Manager covering its operations hereunder, as specifically defined in Exhibit B to this Contract, a copy of which is attached hereto and incorporated herein by this reference.

43. FAILURE TO PROCURE INSURANCE. Failure on the part of the Operating Agency to procure or maintain required insurance (pursuant to Exhibit B) shall constitute a material breach of contract under which County may immediately suspend or terminate this Contract or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith. All monies so paid by the County shall be repaid by the Operating Agency to County upon demand or the County may offset the cost of the premiums against any monies due to the Operating Agency from the County.
44. INDEMNIFICATION. The Operating Agency ("Indemnitor") shall indemnify, defend and hold harmless the Community Development Commission of the County of Los Angeles, Housing Authority of the County of Los Angeles, the County of Los Angeles, and each of their elected and appointed officers, officials, representatives, employees, successors, assigns, predecessors, lenders, accountants, attorneys, and agents (each an "Indemnatee") from and against any and all liability, demands, damages, claims, causes of action, judgments, awards, expenses, and fees (including reasonable attorneys', experts' and consultants' fees) including, but not limited to, claims for bodily injury, property damage, loss of income, pain and suffering, emotional and psychological distress, and death, that arises from, pertains to, or relates to (whether in whole or in part) the acts, errors, or omissions of Indemnitor, Indemnitor's agent(s), representative(s), employee(s), or any third party with whom Indemnitor directly contracts with (or for whom Indemnitor is otherwise legally responsible for) in connection with the performance of Indemnitor's obligations under this Contract (collectively, the "Indemnified Liabilities"). If Indemnitor is a "design professional" within the meaning of *Civil Code* § 2782.8, Indemnitor shall only be required to indemnify and defend Indemnatee to the extent that the claims arise from, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Indemnitor. Notwithstanding anything to the contrary, Indemnitor shall only be required to indemnify a particular Indemnatee to the extent that the Indemnified Liabilities was not caused by the sole negligence, active negligence or willful misconduct of that Indemnatee. Indemnitor agrees to require each and every third party with whom Indemnitor directly contracts with (or for whom Indemnitor is otherwise legally responsible for) to be considered an additional "Indemnitor" under this provision and to separately agree to indemnify, defend, and hold harmless each Indemnatee for the work, materials, and services provided by that third party as required under this provision. The parties intend for this provision to not violate any applicable laws (including *Civil Code* §§ 2782 *et. seq.*) and, to the fullest extent permitted by law, this provision shall be interpreted in such a manner. In the event of a conflict between this provision and any other

provision in this Contract or any other contract between Indemnitor and Indemnitee, this provision shall govern. This provision shall survive the termination or expiration of the Contract and will continue to remain in full force and effect for ten years from substantial completion of Indemnitor's services, work, or provision of materials, or until all applicable statutes of limitations for the Indemnified Liabilities have expired, whichever is longer.

45. FINANCIAL CLOSE OUT PERIOD. The Operating Agency agrees to complete all necessary financial close out procedures required by the County, within a period of not more than 60 calendar days from the expiration date of this Contract. This time period will be referred to as the financial close out period. The County is not liable to provide reimbursement for any expenses or costs associated with this Contract after the expiration of the financial close out period. After the expiration of the financial close out period, those funds not paid to the Operating Agency under this Contract, if any, may be immediately reprogrammed by the County into other eligible activities in the County. The County may request a final financial audit for activities performed under this Contract at the expiration of the financial close out period.
46. NEPOTISM. The Operating Agency shall not hire nor permit the hiring of any person to fill a position funded through this Contract if a member of that person's immediate family is employed in an administrative capacity by the Operating Agency, unless this action is approved by the Operating Agency's governing body and waived by the County. For the purpose of this section, the term "immediate family" means spouse, child, mother, father, brother, sister, brother-in-law, sister-in-law, father-in-law, mother-in-law, son-in-law, daughter-in-law, aunt, uncle, niece, nephew, stepparent and stepchild. The term "administrative capacity" means having selection, hiring, supervisory or management responsibilities, including serving on the governing body of the Operating Agency.
47. RELIGIOUS AND POLITICAL ACTIVITIES. The Operating Agency agrees that funds under this Contract will be used exclusively for performance of the work required under this Contract, and that no funds made available under this Contract shall be used to promote religious or political activities. Further, the Operating Agency agrees that it will not perform, nor permit to be performed, any religious or political activities in connection with the performance of this Contract.
48. USE OF FUNDS. All funds approved under this Contract shall be used solely for costs approved in the program budget for this Contract. Contract funds shall not be used as a cash advancement between contracts, as security to guarantee payments for any nonprogram obligations, or as loans for nonprogram activities. Separate financial records shall be kept for each funding source.
49. REPORTS AND RECORDS. The Operating Agency agrees to prepare and submit financial, program progress, monitoring, evaluation and other reports as required by the County. Program progress reports shall be submitted on a monthly basis, in the

form specified by the Commission, through its Executive Director or his designee. The Operating Agency shall maintain, and permit onsite inspections of such property, personnel, financial and other records and accounts as are considered necessary by the County to assure proper accounting for all Contract funds during the term of this Contract and for a period of five (5) years thereafter. The Operating Agency will ensure that its employees and board members furnish such information which, in the judgment of County representatives, may be relevant to a question of compliance with contractual conditions, with County or granting agency directives, or with the effectiveness, legality and achievements of the program.

50. EXPENDITURES. Expenditures made by the Operating Agency in the operation of this Contract shall be in strict compliance and conformity with the Budget set forth in Exhibit A, unless prior written approval for an exception is obtained from Executive Director or his designee.
51. CERTIFICATION PROHIBITING USE OF EXCESSIVE FORCE. In accordance with Section 519 of Public Law 101-144, the undersigned certifies, to the best of his or her knowledge and belief that it has adopted and is enforcing:
 - a. A policy prohibiting the use of excessive force in violation of applicable Federal, State or local laws by anyone acting under the authority or supervisions of the Operating Agency against any individuals engaged in non-violent civil rights demonstrations; and
 - b. A policy of compliance with applicable State and local laws against individuals physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.
52. DRUG-FREE WORKPLACE. The Operating Agency agrees to provide a drug-free workplace by:
 - a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Operating Agency's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - b. Establishing an ongoing drug-free awareness program to inform employees about:
 - i. The dangers of drug abuse in the workplace;
 - ii. The Operating Agency's policy of maintaining a drug-free workplace;
 - iii. Any available drug counseling, rehabilitation, and employee assistance programs; and

- iv. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - c. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by subparagraph a. of this Section 52;
 - d. Notifying the employee in the statement required by paragraph a. of this Section 52 that, as a condition of employment under the grant, the employee will:
 - i. Abide by the terms of the statement; and
 - ii. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five (5) calendar days after such conviction;
 - e. Notifying the County in writing, within ten (10) calendar days after receiving notice under subparagraph (d)(ii) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
 - f. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(ii), with respect to any employee who is so convicted;
 - i. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - ii. Requiring such an employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
 - g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of subparagraphs a, b, c, d, e and f.
53. RESIDENTIAL ANTIDISPLACEMENT AND RELOCATION ASSISTANCE PLAN. Section 104(d) of the Housing and Community Development Act of 1974, also known as the Barney Frank Amendment, requires relocation assistance for

displaced low-income families and requires one-for-one replacement of low/moderate income dwelling units that are demolished or converted to other use. When ESG funds are used in a project, including financing for rehabilitation, or project delivery costs, Section 104(d) is triggered. ESG Regulations further describe the requirements under 24 CFR 576.59 Relocation and Acquisition.

The Operating Agency must adopt and make public a Residential Antidisplacement and Relocation Assistance Plan as part of its administrative requirements to HUD. Before the Operating Agency enters into a contract committing it to provide funds for any activity that will directly result in the demolition, or conversion to another use, of low/moderate-income dwelling units, it must make public and submit to HUD the information as described in Section 24 CFR 570.606 (c) (iii) A-G.

54. TERMINATION FOR IMPROPER CONSIDERATION (GRATUITIES). The County may, by written notice to the Operating Agency, immediately terminate the right of the Operating Agency to proceed under this Contract if it is found that improper consideration, in any form, was offered or given by the Operating Agency, either directly or through an intermediary, to any County officer, employee or agent with the intent of securing the Contract or securing favorable treatment with respect to the award, amendment or extension of the Contract or the making of any determinations with respect to the Operating Agency's performance pursuant to the Contract. In the event of such termination, the County shall be entitled to pursue the same remedies against the Operating Agency as it could pursue in the event of default by the Operating Agency.

The Operating Agency shall immediately report any attempt by the County officer or employee to solicit such improper consideration. The Report shall be made to the Executive Director of the Commission or the County Auditor-Controller's Employee Fraud Hotline (800) 544-6861.

55. OPERATING AGENCY'S ACKNOWLEDGMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW. The Operating Agency acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The Agency understands that it is the County's policy to encourage all County Contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. The Agency will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The County's Department of Children and Family Services will supply the Operating Agency with the poster to be used.
56. NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW. The Operating Agency shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is available

on the Internet at www.babysafela.org <<http://www.babysafela.org>> for printing purposes.

57. OPERATING AGENCY'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM. The Operating Agency acknowledges that the County has established a goal of ensuring that all individuals who benefit financially from the County or Commission through contract are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers.

As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the Operating Agency's duty under this Contract to comply with all applicable provisions of the law, the Operating Agency warrants that it is now in compliance and shall, during the term of this Contract, maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or District Attorney Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

58. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM. Failure of the Operating Agency to maintain compliance with the requirements set forth in Section 57, OPERATING AGENCY'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM shall constitute a default by the Operating Agency under this Contract. Without limiting the rights and remedies available to the County or Commission under any other provision of this Contract, failure to cure such default within 90 days of a notice by the Los Angeles County Child Support Services Department (CSSD) shall be grounds upon which the Executive Director or his designee may terminate this Contract pursuant to Section 62, Termination for Cause.

59. POST MOST WANTED DELINQUENT PARENTS LIST. The Operating Agency acknowledges that the County places a high priority on the enforcement of child support laws and the apprehension of child support evaders. The Operating Agency understands that it is the County's and Commission's policy to voluntarily post a list entitled L.A's Most Wanted: Delinquent Parents poster in a prominent position at Operating Agency's place of business. The CSSD will supply the Operating Agency with the poster to be used.

60. COUNTY'S QUALITY ASSURANCE PLAN. The County will evaluate the Operating Agency's performance under this Contract on not less than an annual basis. Such evaluation will include assessing the Operating Agency's compliance with all contract terms and performance standards. The Operating Agency's

deficiencies, which the County determines are severe or continuing and that may place performance of the Contract in jeopardy, if not corrected will be reported to the Board of Supervisors. The report will include improvement/corrective action measures taken by the County and the Operating Agency. If improvement does not occur consistent with the corrective measure, the County may terminate this Contract, pursuant to Section 61 or 62, or impose other penalties as specified in this Contract.

61. TERMINATION FOR CONVENIENCE. The County reserves the right to cancel this Contract for any reason at all upon 30 days prior written notice to the Operating Agency. In the event of such termination, the Operating Agency shall be entitled to a prorated portion paid for all satisfactory work unless such termination is made for cause, in which event, compensation if any, shall be adjusted in such termination.
62. TERMINATION FOR CAUSE. This Contract may be terminated by the County upon written notice to the Operating Agency for just cause (failure to perform satisfactorily) with no penalties incurred by the County upon termination or upon the occurrence of any of the following events in a, b, c, d, or e:
 - a. Should the Operating Agency fail to perform all or any portion of the work required to be performed hereunder in a timely and good workmanlike manner or properly carry out the provisions of the Contract in their true intent and meaning, then in such case, notice thereof in writing will be served upon the Operating Agency, and should the Operating Agency neglect or refuse to provide a means for satisfactory compliance with this Contract and with the direction of the County within the time specified in such notice, the County shall have the power to suspend or terminate the operations of the Operating Agency in whole or in part;
 - b. Should the Operating Agency fail within five (5) days to perform in a satisfactory manner, in accordance with the provisions of the Contract, or if the work to be done under said Contract is abandoned for more than three (3) days by the Operating Agency, then notice of deficiency thereof in writing will be served upon the Operating Agency by the County;
 - c. Should the Operating Agency fail to comply with the terms of said Contract within five (5) days, upon receipt of said written notice of deficiency, the Commission, through its Executive Director, or his designee, shall have the power to suspend or terminate the operations of the Operating Agency in whole or in part;
 - d. In the event that a petition of bankruptcy shall be filed by or against the Operating Agency; or
 - e. If, through any cause, the Operating Agency shall fail to fulfill, in a timely and proper manner, the obligations under this Contract, or if the Operating Agency

shall violate any of the covenants, Contracts, or stipulations of this Contract, the County shall thereupon have the right to terminate this Contract by giving written notice to the Operating Agency of such termination and specifying the effective date thereof, at least five (5) days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared by the Operating Agency or under this Contract shall, at the option of the County, become its property and the Operating Agency shall be entitled to receive just and equitable compensation for any work satisfactorily completed.

63. ARCHITECTURAL BARRIERS ACT AND THE AMERICANS WITH DISABILITIES ACT. The Architectural Barriers Act of 1968 (42 U.S.C. 4151-4157) requires certain Federal and Federally funded buildings and other facilities to be designed, constructed, or altered in accordance with standards that insure accessibility to, and use by, physically handicapped people. A building or facility designed, constructed, or altered with funds allocated or reallocated under this part after December 11, 1995, and that meets the definition of residential structure as defined in 24 CFR 40.2 or the definition of building as defined in 41 CFR 101-19.602(a) is subject to the requirements of the Architectural Barriers Act of 1968 (42 U.S.C. 4151-4157) and shall comply with the Uniform Federal Accessibility Standards (Appendix A to 24 CFR part 40 for residential structures, and Appendix A to 41 CFR Part 101-19, Subpart 101-19.6, for general type buildings). The Americans with Disabilities Act (42 U.S.C. 12131; 47 U.S.C. 155.201, 218 and 225) (ADA) provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, State and local government services, and telecommunications. It further provides that discrimination includes a failure to design and construct facilities for first occupancy after January 26, 1993 that are readily accessible to and usable by individuals with disabilities. Further, the ADA requires the removal of architectural barriers and communication barriers that are structural in nature in existing facilities, where such removal is readily achievable--that is, easily accomplishable and able to be carried out without much difficulty or expense.
64. USE OF RECYCLED-CONTENT PAPER PRODUCTS. Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Operating Agency agrees to use recycled-content paper to the maximum extent possible on the Federally funded project.
65. EMPLOYEES OF OPERATING AGENCY. *Workers' Compensation:* The Operating Agency understands and agrees that all persons furnishing services to the County pursuant to this Contract are, for the purposes of workers' compensation liability, employees solely of the Operating Agency. The Operating Agency shall bear sole responsibility and liability for providing workers' compensation benefits to any person for injuries arising from an accident connected with services provided to the County under this Contract.

Professional Conduct: The County does not and will not condone any acts, gestures, comments or conduct from the Operating Agency's employees, agents or subcontractors which may be construed as sexual harassment or any other type of activities or behavior that might be construed as harassment. The County will properly investigate all charges of harassment by residents, employees or agents of the County against any and all Operating Agency's employees, agents or subcontractors providing services for the County. The Operating Agency assumes all liability for the actions of the Operating Agency's employees, agents or subcontractors and is responsible for taking appropriate action after reports of harassment are received by the Operating Agency.

66. CONTRACTOR RESPONSIBILITY AND DEBARMENT. A responsible contractor is a contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the policy of the County, the Commission and the Housing Authority to conduct business only with responsible contractors.
- a. The Operating Agency is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County, which, as defined under Section 2.202.020, includes the Commission and the Housing Authority, acquires information concerning the performance of the Operating Agency on this or other contracts which indicates that the Operating Agency is not responsible, the County may, in addition to other remedies provided in the contract, debar the Operating Agency from bidding on County, Commission or Housing Authority contracts for a specified period of time not to exceed three (3) years, and terminate any or all existing contracts the Operating Agency may have with the County, the Commission or the Housing Authority.
 - b. The County may debar a contractor if the Board of Supervisors finds, in its discretion, that the contractor has done any of the following: (1) violated any term of a contract with the County, the Commission or the Housing Authority, (2) committed any act or omission which negatively reflects on the contractor's quality, fitness or capacity to perform a contract with the County, the Commission or the Housing Authority or any other public entity, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County, the Commission, the Housing Authority, or any other public entity.
 - c. If there is evidence that the Operating Agency may be subject to debarment, the County will notify the Operating Agency in writing of the evidence which is the basis for the proposed debarment and will advise the Operating Agency of the scheduled date for a debarment hearing before the Contractor Hearing Board.

- d. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Operating Agency and/or the Operating Agency's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a proposed decision, which shall contain a recommendation regarding whether the Operating Agency should be debarred, and, if so, the appropriate length of time of the debarment. If the Operating Agency fails to avail itself of the opportunity to submit evidence to the Contractor Hearing Board, the Operating Agency may be deemed to have waived all rights of appeal.
 - e. A record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny or adopt the proposed decision and recommendation of the Hearing Board.
 - f. These terms shall also apply to subcontractors of County, Commission or Housing Authority contractors.
67. COPELAND "ANTI-KICKBACK" ACT. The Operating Agency shall comply with the Copeland "Anti-Kickback" Act (18 U.S.C. 874) as supplemented by Department of Labor regulations (29 CFR part3). These terms shall apply to construction contracts in excess of \$2,000 awarded to the Operating Agency, as well as contracts awarded to subcontractors and consultants.
68. DAVIS-BACON ACT. The Operating Agency shall comply with the prevailing wage requirements Davis-Bacon Act, as amended (40 U.S.C. 276a to 276a-7) and as supplemented by the Department of Labor regulations (29 CFR part 5). These terms shall apply to construction contracts in excess of \$2,000 awarded to the Operating Agency, as well as contracts awarded to subcontractors and consultants. The prevailing wage requirements also apply to CDBG funded activities for the rehabilitation of residential property when the program contains eight (8) or more housing units at the construction site.
69. SECTION 3. In order to comply with the Housing and Urban Development Act of 1968, the Operating Agency and, where applicable, its contractor(s) and subcontractor(s) shall comply with Section 3 regulations as described in 24 CFR Part 135. Section 3 compliance activities of the Operating Agency and its contractor(s) and subcontractor(s) shall be guided by the Construction Compliance Guidelines, as amended, which can be made available to the Operating Agency for inspection and copying upon request, if the Operating Agency does not already possess a copy.
- a. The work to be performed under this Contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to

ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low-and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

Section 3 covered assistance and thresholds apply to the following HUD assistance:

- i. Housing and Community Development assistance – Section 3 applies to training, employment, contracting, and other economic opportunities arising in connection with the expenditure of housing assistance (including Section 8 assistance, including other housing assistance not administered by the U.S. Assistant Secretary of housing); community development assistance that is used for housing rehabilitation (including abatement of lead based paint hazards, but excluding routine maintenance, repair and replacement; and other public construction); housing construction; and other public construction.

Thresholds – The threshold for Section 3 covered housing and community development assistance is \$200,000 or more. This threshold applies to recipients of housing and community development program assistance for Section 3 covered programs. The requirements of this section also apply to contractors and subcontractors performing work on Section 3 covered project(s) for which the amount of the assistance exceeds \$200,000, and the contract or subcontract exceeds \$100,000. If a recipient receives Section 3 covered housing or community development assistance in excess of \$200,000, but no contract exceeds \$100,000, then the Section 3 preference requirements apply only to the recipient.

Applicability of Section 3 to an entire project or activity funded with Section 3 assistance. The requirements of this section apply to an entire project or activity that is funded with Section 3 covered assistance, regardless of whether the activity is fully or partially funded with Section 3 covered assistance.

- b. The parties to this Contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this Contract, the parties to this Contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.

- c. The Operating Agency agrees to send to each labor organization or representative of workers with which the Operating Agency has a collective bargaining Contract or other understanding, if any, a notice advising the labor organization or workers' representative of the Operating Agency's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- d. The Operating Agency agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The Operating Agency will not subcontract with any subcontractor where the Operating Agency has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
- e. The Operating Agency will certify that any vacant employment positions, including training positions, that are filled (1) after the Operating Agency is selected but before the Contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the Operating Agency's obligations under 24 CFR Part 135.
- f. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this Contract for default, and debarment or suspension from future HUD assisted contracts.
- g. With respect to work performed in connection with Section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this Contract. Section 7(b) requires that to the greatest extent feasible (1) preference and opportunities for training and employment shall be given to Indians, and (2) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this Contract that are subject to the provisions of Section 3 and section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

70. CONSTRUCTION\REHABILITATION PROJECTS: The Operating Agency shall submit a request to the County, to conduct a Contract and Labor Compliance File Review within 10 days from completion of construction/rehabilitation activities.
71. PATENT RIGHTS. The Operating Agency must adhere to Federal requirements and regulations relating to patent rights with respect to any discovery or invention which arises or is developed in the course of or under this contract.
72. DISALLOWED COSTS. If the Operating Agency has failed to return unexpended funds or funds spent for disallowed costs related to any ESG Contract it has with the County, the County may withhold and offset payments to be made to the Operating Agency under this Contract.
73. PHOTOGRAPHS, FOOTAGE, AND OTHER MEDIA MATERIALS. The Operating Agency represents and warrants that all photographs, videos, DVD's, footage, magazines, and other media materials provided to the County are either public record or have been legally procured without invading the copyright, ownership, or privacy rights of any individual. The Operating Agency further agrees to defend, hold harmless, and indemnify the County from any and all liability, as described in Section 44, Indemnification, arising from or related to the County's use of said photographs, videos, DVD's, footage, magazines, and other media materials.
74. OPERATING AGENCY'S WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM. The Operating Agency acknowledges that the Commission has established a goal of ensuring that all individuals and businesses that benefit financially from the Commission through a contract are current in paying their personal and real property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers. Unless the Operating Agency qualifies for an exemption or exclusion, the Operating Agency warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this Contract will maintain compliance, with the County's Defaulted Tax Program, found at Los Angeles County Ordinance No. 2009-0026 and codified at Los Angeles County Code, Chapter 2.206.
75. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM. Failure of the Operating Agency to maintain compliance with the requirements set forth in Section 74, "OPERATING AGENCY'S WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM" shall constitute default under this Contract. Without limiting the rights and remedies available to the Commission under any other provision of this Contract, failure of the Operating Agency to cure such default within ten (10) days of notice shall be grounds upon which the County may suspend or terminate this contract pursuant to the County's Defaulted Property

Tax Reduction Program found at Los Angeles County Ordinance No. 2009-0026 and codified at Los Angeles County Code, Chapter 2.206.

76. COMPLIANCE WITH COUNTY'S ZERO TOLERANCE HUMAN TRAFFICKING. Operating Agency acknowledges that the County has established a Zero Tolerance Trafficking Policy prohibiting the Operating Agency, or subcontractors approved under this contract from engaging in human trafficking.

If the Operating Agency, or a member (s) on the Operating Agency's staff is convicted of a human trafficking offense, the County shall require that the Operating Agency, or member of the Operating Agency's staff be removed immediately from performing services under this contract. The County will not be under any obligation to disclose confidential information regarding the offenses other than those required by law.

Disqualification of any member of the Operating Agency's staff pursuant to this section shall not relieve the Operating Agency of its obligation to complete all work in accordance with the terms and conditions of this Contract.

77. CLEAN AIR ACT. The Operating Agency must comply with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15). These terms shall apply to construction contracts in excess of \$100,000 awarded to the Operating Agency, as well as contracts awarded to subcontractors and consultants.
78. ENERGY POLICY AND CONSERVATION ACT – The Operating Agency must comply with mandatory standards and policies related to energy efficiency which are contained in the State Energy Conservation Plan issued in compliance with the Energy Policy and Conservation Act (Pub.L.94A 163, Stat.871).
79. WARRANTY OF AUTHORITY. The undersigned signatory for the Operating Agency covenants, warrants and guarantees that he/she is empowered and authorized to sign this Contract on behalf of the Operating Agency in accordance with the terms and conditions stated herein.
80. ENTIRE CONTRACT This Contract with attachments constitutes the entire understanding and agreement of the parties.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Contract to be subscribed by the Executive Director of the Community Development Commission, and the Operating Agency has subscribed the same through its duly authorized officers, on the day, month and year first above written.

COUNTY OF LOS ANGELES

Los Angeles Homeless Services Authority
Operating Agency

By: _____
MONIQUE KING-VIEHLAND, Executive Director
Community Development Commission
of the County of Los Angeles

By: _____
Title: _____

APPROVED AS TO FORM:

MARY C. WICKHAM
County Counsel

APPROVED AS TO PROGRAM:

MONIQUE KING-VIEHLAND, Executive Director
Community Development Commission
of the County of Los Angeles

By: _____
Deputy

By: _____
Director, Community Development Division

**COUNTY OF LOS ANGELES
AGREEMENT TO IMPLEMENT**

A COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROJECT

WITH A PARTICIPATING CITY

Operating Agency: «AGENCY_NAME»

Contract Number: «Contract_No»

The Operating Agency is hereby authorized to implement the CDBG Project(s) identified below upon execution of this Agreement by the Operating Agency's authorized signatory. Said implementation shall be in full accordance with the requirements, conditions, and assurances defined in the Contract Number «Contract_No», between the Operating Agency and the County of Los Angeles. In addition, the Operating Agency agrees to comply with the following:

1. SCOPE OF SERVICE. The Project described in the Exhibit A(s), listed below, shall be implemented.
2. TIME OF PERFORMANCE. Services are to commence as of «Month»,«Date»,«Year», and be completed no later than «Month»,«Date»,«Year».
3. BUDGET SECTION. No more than the amounts specified in the Exhibit A(s), listed below, may be spent, without written approval of the Community Development Commission of the County of Los Angeles.

«AGENCY NAME»
Operating Agency

COUNTY OF LOS ANGELES

By: _____

By: _____

Title: _____

Title: Director, Community Development Division
Community Development Commission
of the County of Los Angeles

**COUNTY OF LOS ANGELES
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
REIMBURSABLE CONTRACT WITH PARTICIPATING CITY
AMENDMENT NUMBER _____**

CITY:

CONTRACT NUMBER:

THIS AMENDMENT NO. TO CONTRACT is made this _____ day of _____, 201_,
by and between the County of Los Angeles, hereinafter called the "County," and the City of _____,
hereinafter called the "Operating Agency."

WITNESSETH THAT:

WHEREAS, the County and the Operating Agency previously entered into a Community
Development Block Grant (CDBG) Program Reimbursable Contract, Contract Number _____,
dated July 1, __; and subsequently amended;

WHEREAS, the County and the Operating Agency desire to amend said Contract in order
to reflect transfer of \$_____ in CDBG funds, to the County, so that the County may reallocate
the funds to homeless activities designated in the transfer agreement previously approved by the
Community Development Commission and the City on _____;

WHEREAS, the Community Development Commission of the County of Los Angeles
administers this Contract on behalf of the County;

NOW, THEREFORE, in consideration of the mutual undertakings herein, the parties agree
that the Contract be amended as follows:

1. Section 5, **COMPENSATION AND METHOD OF PAYMENT** has been amended as
follows: to show a revised compensation amount of _____ Dollars
(\$_____). This is a decrease of _____ Dollars (\$_____) to the contract
amount.

This contract amends the original contract to reflect the additions and/or change(s) noted above,
and this section(s) should be substituted in its entirety or added to the previously executed contract.
All other terms and conditions of said contract shall remain the same.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Contract Amendment to be subscribed by the Executive Director of the Community Development Commission, and the Operating Agency has subscribed the same through its duly authorized officers, on the day, month and year first above written.

COUNTY OF LOS ANGELES

«AGENCY»

Operating Agency

By: _____
MONIQUE KING VIEHLAND
Executive Director
Community Development Commission
Of the County of Los Angeles

By: _____
Title: _____

APPROVED AS TO FORM:
MARY C. WICKHAM

County Counsel

APPROVED AS TO PROGRAM:
MONIQUE KING VIEHLAND
Executive Director
Community Development Commission
of the County of Los Angeles

By: _____
Deputy

By: _____
Director
Community Development Divisionion

FY 2018-2019 Summary Totals for Minority and Women Board Members and Employees

ATTACHMENT M

Agency Name	Amount	Board Count	Minority Board Count	Women Board Count	Minority Board %	Women Board %	Employee Count	Minority Employee Count	Women Employee Count	Minority Employee %	Women Employee %
1736 Family Crisis Center (Homeless Shelter and Ancillary Services) 2D	\$48,000	9	4	4	44%	44%	122	89	104	73%	85%
Affordable Living for the Aging (Housing Alternatives for Seniors) 3D	24,465	9	2	2	22%	22%	11	9	8	82%	73%
Antelope Valley Partners for Health (Handyworker Program) 5D	170,000	13	4	4	31%	31%	92	71	87	77%	95%
Antelope Valley Partners for Health (Healthy Homes) 5D	23,840										
Boys and Girls Club of Whittier (Los Nietos/South Whittier After-School Programming) 4D	40,000	30	7	10	23%	33%	102	88	70	86%	69%
Century Center for Economic Opportunity (Rehabilitation Program - CCEO YouthBuild) 2D	350,000	7	3	4	43%	57%	9	8	4	89%	44%
Clean San Pedro	20,000	7	5	0	71%	0%	5	2	1	40%	20%
Florence/Firestone Chamber of Commerce (Capacity Building - 2nd District) 2D	25,000	14	10	4	71%	29%	3	1	2	33%	67%
Florence/Firestone Chamber of Commerce (Technical Assistance - 2nd District) 2D	50,000										
Housing Rights Center (Fair Housing Assistance Program) CW	200,000	11	5	4	45%	36%	21	18	13	86%	62%

FY 2018-2019 Summary Totals for Minority and Women Board Members and Employees

Agency Name	Amount	Board Count	Minority Board Count	Women Board Count	Minority Board %	Women Board %	Employee Count	Minority Employee Count	Women Employee Count	Minority Employee %	Women Employee %
New Horizons Caregivers Group (Fiesta Program) 1D	60,000	6	2	2	33%	33%	2	0	2	0%	100%
Ocean Park Community Center (Domestic Violence Crisis Shelter Services) (3D)	20,000	20	1	4	5%	20%	204	136	150	67%	74%
Office of Samoan Affairs (Youth & Adult Educational Services) 4D	40,000	10	10	3	100%	30%	30	30	22	100%	73%
Pacific Asian Consortium in Employment (Handyworker Program) 2D	157,000	5	5	1	100%	20%	332	313	262	94%	79%
Peace4Kids (Transition Youth Services) 2D	30,000	10	4	7	40%	70%	4	3	1	75%	25%
Quality of Life Center (Bright Futures Scholars Program) 5D	65,315	5	5	2	100%	40%	3	3	3	100%	100%
Samuel Dixon Family Health Center, Inc.(Samuel Dixon Family Health Center) 5D	28,702	10	10	5	100%	50%	41	41	32	100%	78%
San Gabriel Valley Economic Partnership (Business Outreach & Assistance) 1D	23,851	36	11	7	31%	19%	8	6	6	75%	75%
Santa Clarita Valley Committee on Aging Corp. (Handyworker Program) 5D	75,000	15	3	6	20%	40%	65	24	35	37%	54%
Shelter Partnership (S. Mark Taper Foundation Shelter Resource Bank) Countywide	170,000	17	4	3	24%	18%	13	5	8	38%	62%

FY 2018-2019 Summary Totals for Minority and Women Board Members and Employees

Agency Name	Amount	Board Count	Minority Board Count	Women Board Count	Minority Board %	Women Board %	Employee Count	Minority Employee Count	Women Employee Count	Minority Employee %	Women Employee %
St. Joseph Center (Homeless Services Center) 3D	20,000	20	3	10	15%	50%	213	158	142	74%	67%
Topanga Community Club (Topanga Youth Services) 3D	20,000	7	1	5	14%	71%	1	0	1	0%	100%
Wayfinder Family Services (formerly Junior Blind) (Children's Project - CRP) 2D	25,000	17	4	3	24%	18%	343	326	250	95%	73%
West Angeles Community Development Corporation (Food Distribution & CalFresh Applicants Outreach Project) 2D	52,657	15	15	10	100%	67%	12	12	10	100%	83%
Wilmington Community Clinic (Mary B. Henry Community Clinic) 2D	84,015	11	11	8	100%	73%	67	66	46	99%	69%
Women in Non-Traditional Employment Roles (WINTER) (Handyworker Program) 1D	100,000	9	9	5	100%	56%	6	6	6	100%	100%
Young Women's Christian Association (YWCA) of Greater Los Angeles (Senior Empowerment Program-Union Pacific) 1D	30,000	15	15	14	100%	93%	156	156	128	100%	82%
YWCA of Greater Los Angeles (Youth Development Program - Union Pacific) 1D	30,000										
YWCA of Greater Los Angeles (Senior Empowerment Program-Walnut Park) 1D	30,000										
TOTALS	\$ 2,012,845	328	153	127	47%	39%	1,865	1,571	1,393	84%	75%